FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT
No. 28,858 Tuesday August 24 1982 ***30p
CONTINENTAL SELLING PRICES: AUSTRIA Sch. 15; BELGIUM Fr 36; DENMARK Kr 6.50; FRANCE Fr 6.00; GERMANY DM 2.0; ITALY L 1,100; NETHERLANDS Fl 2.25; NORWAY Kr 6.00; PORTUGAL Esc 60; SPAIN Pta 85; SWEDEN Kr 5.00; SWITZERLAND Fr 2.0; EIRE 50p; MALTA 30c

NEWS SUMMARY

GENERAL

Gemayel elected Lebanon President

Violence flared as Bachir Gemayel, 34, the commander of the right-wing Christian Phalange militias was elected Lebanon's president.

Moslem and left-wing forces opposed the election and the house of a leading Moslem deputy, who voted for Gemayel, was hit by grenades. The home of the speaker of the Lebanense parliament was burned down.

Gemayel is a controversial figure because of his association with Israel. Back Page

Boy, 11, killed

Merseyside police are questioning a boy, nine, after an 11-year-old boy died after being struck in the chest with a knife.

Mrs Thatcher op

Premier Margaret Thatcher was said to be "fine" in a private London clinic after a 90-minute operation for varicose veins. Page 6

Scientists 'dead'

The three British scientists missing in the Antarctic are now believed dead, said the British Antarctic Survey director, Dr Richard Laws.

Strike talks fail

Talks aimed at ending the Derbyshire ambulancemen's strike ended in deadlock. The strikers meet today to decide ... er to continue their stop-

... to return

... Venezuela, ... At the same time ... critical of increasing ... industry production ... of private enterp... and what

Fares

British ... are cutting fares ... about half, to ho... olidays. An economy ... will cost £71. Page 6

Banker hanged

A Syrian banker was hanged in a Damascus street after being convicted of embezzling £2.6m and then trying to burn down his bank to conceal the crime.

Iran trial

An Iranian court is considering its verdict on former Foreign Minister Sadeq Qotbzadeh, charged with trying to overthrow the government. It is thought he will be jailed for life.

Australian strike

A general strike in Queensland, by unions campaigning for a 38-hour week, brought much of the Australian state to a halt.

Two slain

Mafia gunmen are suspected of killing a father and son in Palermo, Sicily. This year 96 people have been murdered in Palermo in a war between rival mafia gangs.

Ship blast

Two men were injured in an explosion on the Norwegian chemical tanker Bow Queen, off Devon.

Streets ahead

James Mallett, 13, from Gloucester, became the 1982 British Monopoly champion, at his first attempt.

Briefly. . . .

Forest fires in south east France killed two people.

Painting by Adolf Hitler is to be auctioned in Ghent, next month.

Security guards grabbed a man threatening to hang himself in London's law courts, in the Strand.

British ship Duet won the Cutty Sark Tall Ships' Race.

BUSINESS

Gilts at highest for nearly five years

● GILTS moved strongly. Most of the buying was in longs which rose up to 1½ points. The Government Securities index gained 0.79 to 78.92, its highest since October 6, 1977. Page 21

● EQUITIES' enthusiasm faded on domestic economic worries. The FT 30-share index closed 4.1 off at 576.5. Page 21

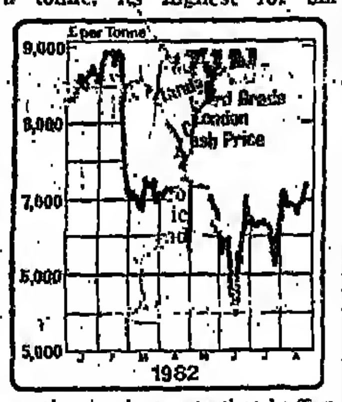
● WALL STREET was up 8.18 at 877.47 at mid-session with trading topping 91m shares. Page 20

● DOLLAR eased in thin trading to Y254.5 (Y254.75), DM 2.4525 (DM 2.453) and SwFr 2.07 (SwFr 2.073), but edged up to FFr 6.8675 (FFr 6.85). Its trade-weighted index was unchanged at 120.2. Page 22

● STERLING firmed to $1.7465, up 55 points on the day, DM 4.285 (DM 4.2725), FFr 11.99 (FFr 11.925), SwFr 3.6175 (SwFr 3.61) and Y444.5 (Y444). Its index was 91.6 (91.5). Page 22

● GOLD rose $9.25 to $393.5 in London. In New York the Comex August close was $399.2 ($387.25). Page 17

● CASH TIN rose £175 to £7,210 a tonne, its highest for six



months, on forecasts that buffer stock buying would remove surplus supplies. Page 17

● DRESSER-FRANCE, a U.S.-controlled company, was told by the French authorities to go ahead with its share of the Siberian gasline deal. Back Page

● GENERAL MOTORS, which has Japanese associates, warned Japanese car exporters to the U.S. to "jump in quickly" with offers of further restraint. Back Page

● JAPANESE are discussing limiting the amount of single Samurai bonds—yen bonds issued by foreigners — to increase the number of issues. Page 19

● RECEIVERS' talks this week could decide the fate of 4,000 jobs in furniture, toys, engineering and cutlery companies. Back Page

● RANKS HOVIS McDougall launches a drive next month to increase its share of the UK dry pasta market with, for example, Fasta Pasta. Page 5

● PROFESSIONAL bodies have stopped insisting that their members operate as partnerships, so allowing them tax benefits given to companies. Page 6

● WINTERTHUR, Swiss insurance company, is making a $320m (£183m) agreed bid for Republic Financial Services, a Dallas holding company. Page 18

● NORSKDATA, Norwegian computer maker, lifted first-half pre-tax profits 143 per cent to NKr 12.4m (£1.1m) on increased competitiveness. Page 19

● HOECHST, leading West German chemicals group, reported first-half taxable profits 20.5 per cent down at DM 558m (£130m). Page 19

● HOLLIS BROS. & ESA timber group cut taxable losses to £4.58m (£4.82m) in the year to March 31 after lower interest charges. Page 14

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Treas. 14pc '98-01	£121¼	+ 1⅛
Aeronautical & Gen.	280	+ 20
Akroyd & Smithers	283	+ 13
Barton	30	+ 2½
Borthwick (T.)	11	+ 2
Currys	190	+ 6
Hazlewood	298	+ 18
MK Electric	232	+ 7
Smith & Nephew	133	+ 4
Allstate Exploration	15	+ 3
Cons. Gold Fields	478	+ 8
Driefontein	£12⅜	+ ½
Gt Mines of Klgrlie	270	+ 15
Kitchener Mining	52	+ 12
North Kalgurli	21	+ 3½
Stilfontein	725	+ 33
Unisel	639	+ 27
Whim Creek	21	+ 5

FALLS		
AGB Research	275	− 17
Bowater	192	− 5
Lucas Inds.	144	− 6
MEPC	187	− 9
Midland Bank	302	− 6
Miles 33	145	− 10
Rugby Prtlnd Cemnt	86	− 5
Union Discount	520	− 7
Utd. Electronic	16½	− 3½
LASMO	340	− 8

Spadolini leads his coalition back to power in Italy

BY RUPERT CORNWELL IN ROME

SIG GIOVANNI SPADOLINI formed Italy's 42nd post-war government yesterday, restoring to power the same five-party coalition and a quarrelsome Cabinet identical with the one which collapsed in August.

Sig Spadolini, the outgoing and incoming Prime Minister, also maintained the status quo in the lower echelons.

The 56 junior ministers at work when the Government collapsed have returned to their posts. There is only one new face—an under-secretary in the Premier's office. His predecessor died in July.

This means Sig Emilio Colombo remains as Foreign Minister, and the skirmishing between Sig Nino Andreatta, the Christian Democrat Treasury Minister and Sig Rino Formica, the Socialist Finance Minister — the epitome of the running battle between the two biggest partners in the coalition — seems set to continue.

The outcome reinforces the suspicion that the decision to leave everything as it was is a sign of a tacit understanding that the general elections may take place at a more convenient date next spring, after emergency action on the economy.

Sig Spadolini, in a statement after presenting the new Government to President Sandro Pertini, would have none of this, however.

The cabinet was due to meet last night, he said, and it would probably go before Parliament next Monday for a vote of confidence. It was right, he said, that the ministers who had adopted important economic measures, should see their work through to the end.

Refuting a questioner's declaration that the crisis had been a waste of time, the Prime Minister asserted that much of value had been achieved—most notably the undertaking to set up an all-party commission of both houses of Parliament to examine ways of improving the workings of Italy's institutions.

Anyone returning from his August holiday would be hard put to guess that a crisis, resolved in the short space of 16 days, had happened at all. The faces are the same, while the key economic programme remains virtually indistinguishable from that of the previous government.

The novelty is the undertaking to streamline the political system, not only with the help of the new commission, but by changing Parliamentary procedure to make secret vote ambushes—like that of August 4 which brought down Sig Spadolini's first government — less frequent.

That ambush concerned oil industry legislation, which was considered vital by the Socialists, and was thrown out of Parliament when a group of Christian Democrat deputies ignored the consensus during the secret vote.

Pulling his party's seven deputies out of the Cabinet, Sig Bettino Craxi, the Socialist leader, declared the country "ungovernable in these conditions."

While the procedure changes are potentially important, there is no guarantee they can be pushed through before a new crisis occurs.

Talk of a cohesive "third force" of small centrist parties, to counter the long dominant Christian Democrats and Communists, is premature at best. No one has been more critical of the Socialists' decision to provoke the crisis, than their apparent natural allies, the Social Democrats.

Faced with the prospect of complete isolation, Sig Bettino Craxi, the Socialist leader, abruptly changed tack and endorsed a government which seems to be precisely the variety of "warmed-up soup" his lieutenants had earlier dismissed as unacceptable.

BL lay offs prompt fears of more job cuts for component makers

BY JOHN GRIFFITHS

UK CAR component manufacturers fear a further round of contraction in the industry following BL's decision to lay off 7,000 workers and suspend output of its Metro and Mini at Longbridge for two weeks next month.

Component suppliers yesterday were hastily reviewing manufacturing schedules in the wake of the BL announcement. Dunlop has already announced that it is laying off 3,000 workers at Fort Dunlop, Birmingham, for a week because of the BL move, which appears to have taken most suppliers by surprise.

The car makers' problems are not confined to BL. Talbot is experiencing more prolonged difficulties than expected with its £150m a year car kits contract with Iran.

Talbot signed a new supply agreement with Iran National in May, after suspending shipments from last October because of non-payment by Iran. But the complicated oil barter arrangement by which it is being financed has still not been finalised.

Despite the setting up of a task force by Vauxhall at the start of this year to investigate ways of re-sourcing the imported content of its cars, only about £4m worth of extra business has come the way of UK suppliers as a result.

The highly successful Cavalier model remains almost an entirely imported vehicle, with UK content confined to paint, trim and a few other components.

But it is the warning from BL that next year it may have to increase the proportion of its £600m yearly component purchases abroad from 5 per cent to 30 per cent to remain competitive that is worrying UK suppliers.

If this turns out to be the case, the components industry fears that substantially more jobs may have to go on top of the 150,000 lost over the past two years, which have reduced total employment in the industry by a third to 300,000.

Lucas Industries, which makes most Metro and Mini electrical components, said yesterday it was still assessing the effects of BL's decision. GKN, which supplies forgings and transmission parts, and Ferodo, the brake and clutch supplier, are to make decisions on possible lay-offs later this week.

Automotive Products, another supplier, is already on a 3½-day week and operating a voluntary redundancy programme.

In the past month, AP has called for 900 redundancies, while Lucas CAV has shut one plant and is to cut jobs at another, reducing employment by a total of 950. General Motors is also closing two plants, losing over 900 jobs.

Stockbrokers Phillips and Drew are forecasting that Armstrong Equipment and Jonas Woodhead are just two of a number of suppliers who may be obliged to undertake further retrenchment in the coming weeks.

Underlying all the problems is the European-wide recession in new car markets. Sales in the UK were 13 per cent down from 1979 levels last year: 11 per cent in West Germany and 7 per cent in France. A further decline is expected this year.

TUC membership falls sharply

BY PHILIP BASSETT, LABOUR CORRESPONDENT

AFFILIATED membership of the Trades Union Congress may have fallen by up to 600,000 last year because of the continuing impact of unemployment. But the TUC has nevertheless recorded a financial surplus for 1981 of about £530,000.

The TUC's annual report to next month's Brighton Congress, published yesterday, suggests that membership could have been as low as about 11m by the end of last year.

Full membership returns for the 108 unions in the TUC will not be available until congress meets, but the preliminary figures inn the annual report are usually reliable indicators.

The TUC estimates that its membership fall for the calendar year 1981 is roughly the same as for the previous year: between 500,000 and 600,000.

The annual report says: "This fall is entirely due to the record level of unemployment, which has risen to appalling and unprecedented heights as a direct consequence of the Government's misguided economic policies."

It says the reduction has already affected unions' finances badly, and the continuing rise in unemployment is a threat to the TUC's financial position.

The TUC raised its individual affiliation fees per union member from 40p to 47½p in January 1981, generating additional income throughout the year of £1,424,000 after allowing for the fall in membership and the repayment to unions of £150,000 for over-affiliation in 1980.

This has produced a surplus for 1981 of £530,000, compared to a loss the previous year of £420,500. This has allowed the TUC to restore its reserves to about £585,000.

TUC analysts expect 1982 to produce a further small surplus of income over expenditure of about £312,000, bringing reserves to about £897,000 by the end of 1982.

The TUC report says administrative expenditure rose by

Continued on Back Page

Mexico's bank loan hinges on IMF deal

By Peter Montagnon, Euromarkets Correspondent

LEADING international bankers have made it clear that their proposed $500m to $1bn (£286m-£573m) loan to help Mexico through its current liquidity crisis depends on that country achieving a credit agreement with the International Monetary Fund.

This emerged as Sr Jesús Silva Herzog, the Mexican Finance Minister, indicated that the government would like to raise still more money from commercial banks during the three-month moratorium on debt repayments agreed on Friday in New York.

"It is the government's intention to continue to maintain a presence in the marketplace," he said. "To that end, we propose to offer a full range of maturities up to five years. Applicable rates for each maturity will be established at the onset, and adjusted from time to time to reflect changes in market conditions."

But commercial bankers pointed out that hopes for money being sought beyond the $500m to $1bn credit are probably unrealistic for the time being.

The dependence of that credit on Mexico's completion of an agreement with the IMF to borrow $4.5bn during the next three years already means that the international bankers' funds cannot become available before late September at the earliest.

The advisory committee of 12 banks, which is to organise the loan, has also said that it will be conditional on a thorough review of Mexico's financial needs, and on formal agreement by all creditor banks to the moratorium on repayments of principal, which total about $10bn for the three months.

The moratorium was agreed in principle on Friday by 115 of the leading commercial bank creditors. Several hundred other banks have yet to give formal assent. Some bankers feared yesterday that it would not come automatically from some smaller lenders, particularly regional U.S. banks.

Continued on Back Page

£ in New York

—	Aug. 20	Previous
Spot	$1.7365-7385	$1.7395-7410
1 month	0.20-0.16 dis	0.20-0.15 dis
3 months	0.16-0.12 dis	0.13-0.09 dis
12 months	2.10-2.20 pm	2.15-2.25 pm

ICL wins £20m contract for PAYE system

BY GUY DE JONQUIERES

ICL, Britain's largest computer manufacturer, has won a contract worth more than £20m to supply almost 13,000 DRS 20 desktop terminals for the computerisation of the Inland Revenue's Pay As You Earn operation.

The order for the terminals, to be installed in some 600 regional tax offices during the next five years, is the largest of its kind ever placed by the British Government.

It is also the first major central Government contract awarded in the UK since the start of last year, when public purchase of computer equipment was subjected to EEC and General Agreement on Tariffs and Trade rules intended to prevent Governments from discriminating in favour of national suppliers.

Shortly before the rules took effect, ICL won on a single tender basis a £50m order to supply 44 large "mainframe" computers which will form the heart of the new system. In bidding for the latest order, it faced competition from Ferranti and Plessey, both also British companies.

Though precise details of the contract have not been disclosed, the Inland Revenue said that ICL's bid was "significantly" lower than those of the two other bidders.

According to computer industry sources, ICL's bid is at a deep discount on the prices which it normally charges commercial customers for the same products, albeit supplied in smaller quantities.

As well as the DRS 20 terminals, the £20m contract includes the supply of an unspecified number of electronic printers, associated equipment and 10 years' free maintenance. The DRS 20 sells through dealers at present for about £2,500.

ICL said yesterday, however, that its policy was to undertake only profitable business. The level of its bid reflected both the economics of scale available on the order and the expectation of further declines in the costs of microelectronic components.

The DRS 20 terminal, which was launched last October, is a key product in ICL's new strategy to attack the fast-growing market for office automation and communications equipment.

The Inland Revenue's initial announcement that it was seeking to purchase terminals attracted responses from about 40 suppliers, later reduced to a shortlist of four. But the fourth company, Olivetti of Italy, which was the only non-British supplier on the shortlist, withdrew earlier this year.

IBM, which strongly criticised the Government's decision to award ICL the order for the 44 computers on a single tender basis, did not bid for the terminal contract.

UK is world's strongest video recorder market

BY JASON CRISP

BRITAIN is the strongest market in the world for sales of video cassette recorders. In spite of its economic plight and the relatively small size of the market, demand for video recorders in the UK exceeds that in the U.S. and has nearly caught up with Japan, which remains the world's largest market.

While UK sales continue to boom the growth in demand in the rest of the world has slowed and stocks have been rising rapidly, particularly in the U.S.

In the UK deliveries to the trade rose by 13.5 per cent in the first six months compared with the same period of 1981 and retailers such as Comet, Rumbelows and Currys all report strong consumer demand.

Over 11 per cent of British homes now have a VCR, a significantly higher proportion than in the U.S. and similar to Japan.

Among the reasons cited for the swift growth in the UK market are:

● The UK's widespread rental system, which accounts for about 65 per cent of domestic recorders.

● The fact that, compared with Japan and the U.S., Britain has fewer TV channels which broadcast for shorter periods.

● The high number of outlets for the sale of pre-recorded material in the UK.

● The widespread belief that the high quality of British TV makes it more attractive to record.

But Japanese manufacturers, which make 90 per cent of the worlds VCRs, have had to cut ambitious programmes to expand capacity. From 1978 to 1981 Japanese production doubled each year. Production in the first six months of 1982

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For latest Share Index phone 01-246 8026

Last bank falls into line over AEG loan

BY KEVIN DONE IN FRANKFURT AND JONATHAN CARR IN BONN

THE DG BANK (Deutsche Genossenschaftsbank), the central institution of the co-operative banks in West Germany, yesterday fell into line with other banks and agreed reluctantly to take part in the planned DM 1.1bn (£256m) loan to AEG-Telefunken, the financially-stricken electrical group.

The bank has come under pressure from small and medium-sized companies, which make up a large part of its corporate customers. They have been angered by the scale of bank aid to AEG at a time when thousands of smaller companies have been allowed to go bankrupt.

It said yesterday it had decided to go along with the 21 other members of the consortium in order not to endanger the 28,000 small AEG creditors with sums of DM 10,000 or less outstanding, which the company has promised to pay off in full.

In Bonn today, the government will again try to enlist the help of the *laender* (provincial states) in providing state guarantees for the ailing company.

When the banks agreed on further credit for the company they made part of their aid conditional on Bonn's providing loan guarantees worth DM 1.1bn.

The federal Government, in turn, has made its accord on such guarantees dependent on receipt of an auditor's report—probably complete in September—saying AEG's restructuring plans stand a good chance of success.

Bonn has been trying to persuade the *laender* to assume some of the likely burden, by providing counter-guarantees for part of the DM 1.1bn—ideally, in Bonn's view, for 50 per cent of it.

Two meetings of lower-level officials have revealed strong reservations in the provinces and serious problems in deciding how the burden should be shared.

Hamburg, for example, has agreed to support the Bonn scheme, so long as the counter-guarantee burden is divided fairly and there is no assurance that AEG jobs will not be transferred out of Hamburg to other states.

It believes that those *laender* with most AEG workers should assume the biggest burden. This would mean counter-guarantees of up to only DM 20m (£4.6m) for Hamburg, but of well over DM 100m (£23.3m) for Baden-Wuerttemberg, where AEG activities have been particularly concentrated.

As a further part of AEG's restructuring plans, the group is planning to close one of its production sites in West Berlin at a cost of up to 2,300 jobs.

Details are still to be negotiated with the workforce but the company said it is planning to give up production in the city of industrial electric motors used for pumps and agricultural applications, and medium and large generators for hydro and diesel power stations and for the mining industry.

AEG, with a workforce in West Berlin of 10,800, is the second largest industrial employer there after Siemens and the closure will hit the city particularly hard given the problems of attracting new private sector jobs.

Liberal fortunes fading in Hesse

ANOTHER WARNING that the liberal Free Democrat Party (FDP) may disappear as a parliamentary force in the crucial election next month in the West German state of Hesse, has been given by a public opinion poll, writes Jonathan Carr. It shows the conservative Christian Democrats (CDU) as clear winners, with the ecologist party, called "the Greens," gaining its best results so far in a provincial election.

The Emnid opinion research institute's survey indicates that only 4 per cent of voters will support the FDP. This is 1 per cent below the minimum 5 per cent needed by law to secure parliamentary seats, and nearly 3 per cent less than the party won in the last Hesse election in 1978.

The FDP has been in coalition with the Social Democrats in the state, as it is in the federal government under Chancellor Helmut Schmidt. Last June, however, the Hesse FDP agreed to switch its support there to the CDU after the provincial election. This decision was widely seen as presaging a change of partners by the party in Bonn, too.

The opinion poll gives the Christian Democrats 50 per cent of the Hesse vote, after 46 per cent four years ago, and the Greens 11 per cent after only 2 per cent before. The Social Democrats slump to 34 per cent from 44.3 per cent. A clear victory in Hesse would give the CDU new energy in its challenge to Herr Schmidt's Bonn coalition.

Mark Webster visits Schweinfurt, in West Germany, the bearings capital of Europe

Small town arena for giant encounter

THE SCHMIDTS have a problem. On the surface, their lives have been an unruffled idyll of 74 years joint service to the West German bearings industry. But, though they work together in the small town of Schweinfurt, they are employed by deadly rivals.

Rudolf Schmidt is an influential member of the workers council at the Swedish-based SKF plant. Down the road, his wife Erna has spent her working life at the indigenous family-owned FAG. No, said Herr Schmidt, they had never had rows about their mutual employers.

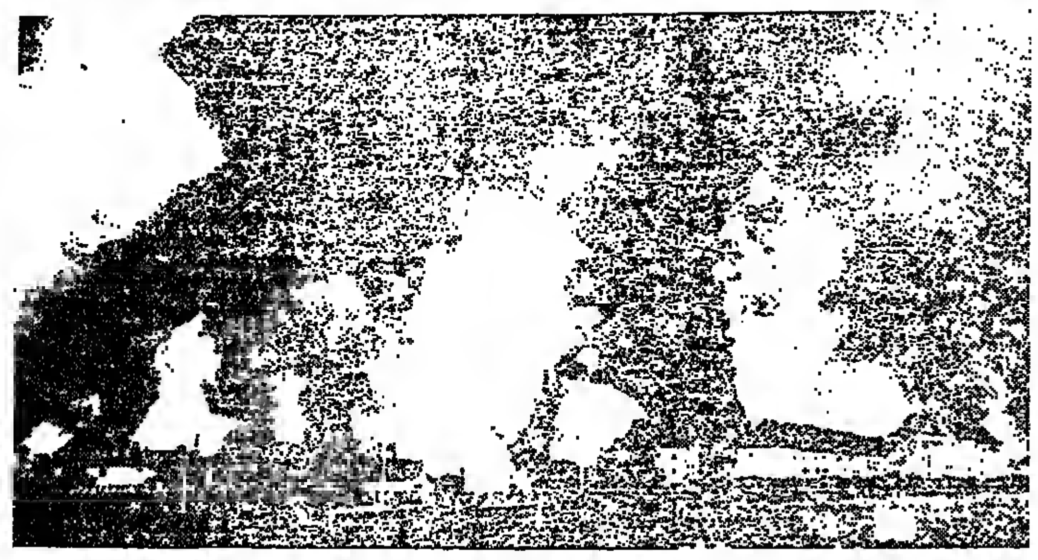
"But my wife is working in the sales department and she hears a lot of sensitive information. I also have access to a lot of information which would be useful to the competition and I would never disclose it," he said with unsmiling determination.

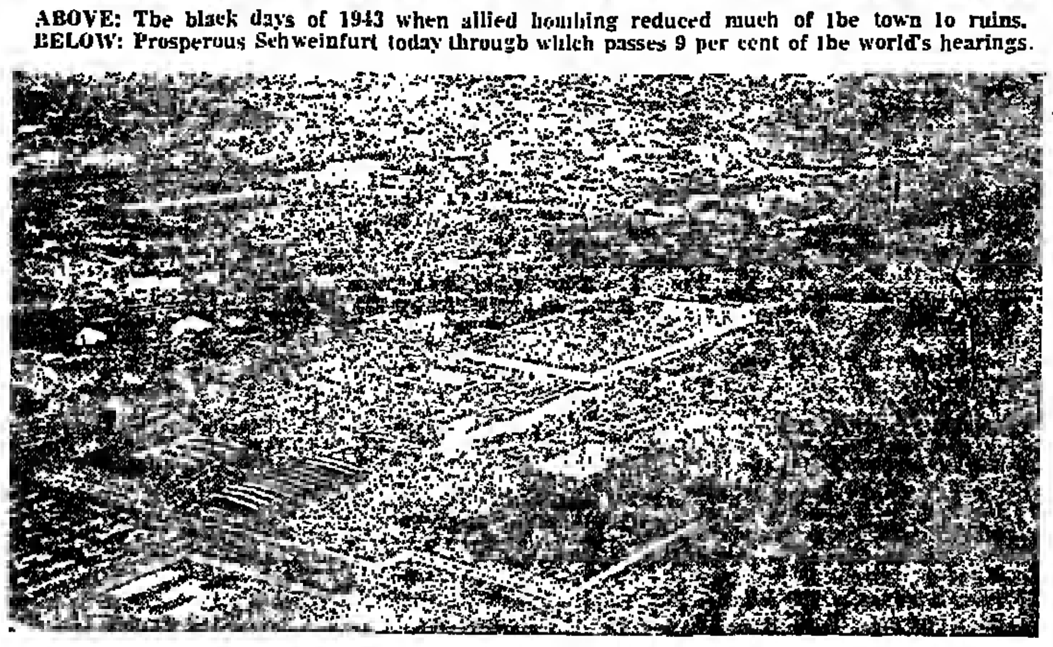
Schweinfurters point out that the town is actually famous for two things. Since the first is that it produced two world-class footballers—Kupfer and Kitzinger—in the 1930s, it is not surprising that so much importance is attached to the second. Schweinfurt is the bearings capital of Europe and, possibly, the world.

More than 16,000 people are employed by the two bearings giants which account for more than two thirds of all West Germany's bearing production. Because both companies have now built giant centralised warehouses for their products in Schweinfurt, more than 9 per cent of all the bearings in the world pass through the town.

Day or night, it is impossible to forget that Schweinfurt lives or dies because of its bearings industry. At night, SKF's office block windows are illuminated to spell out the company's name in giant letters. During the day, the view from any tall building is a vista of bearings factories interrupted only by the Fichtel and Sachs car components manufacturing plant and the tall chimneys of a nuclear power station.

Having such a high concentration of bearings manufacturing in a town of only 52,000 inhabitants has inevitably caused problems. Relations between the two workforces have improved since the 1940s when the arrival in a bar of a band from one factory would signal the immediate departure of workers from the other.





ABOVE: The black days of 1943 when allied bombing reduced much of the town to ruins. BELOW: Prosperous Schweinfurt today through which passes 9 per cent of the world's bearings.

When SKF decided to hold an open day as part of its policy of bringing the family into the workplace, the factory had a fair smattering of FAG workers and specialists showing a more professional interest in the machinery and the level of automation. SKF's production manager concluded that it was an interesting experiment and definitely the last.

In order to survive in the small town, the companies have had to find a modus vivendi. There is an unwritten policy of no poaching by one company from the other. The tension is also much reduced by the very different nature of the two businesses, even though they are competing in the same markets with largely the same sort of products.

Four owners

SKF tries hard to play down its image of a multinational with plants in five European countries as well as interests overseas. "We want to be a national company in each country," said Dr Herman Renn, head of information for SKF in West Germany and a Schweinfurter himself.

At FAG, there is no problem with identification since the four owners of the company are all from one town. It used to be said that a handshake from one of the Schafer family was worth a month's pay for a FAG worker. Reactions from workers interviewed outside the factory last week varied from: "They're good people," to "I don't have much to do with them myself."

Perhaps the most extraordinary thing about Schweinfurt is that there is no good reason why there should be such a concentration of bearing power in that one place. "Schweinfurt made sense when there was one Germany," said Mr George Schafer, one of the four family owners.

The Second World War did two things to Schweinfurt. It brought the unwelcome attention of the allied bombers which flattened two thirds of the town during 15 bombing raids. And it cut Bavaria off from what is now East Germany which had been a big market, both for employment and goods.

"From a strictly economic point of view we shouldn't be here at all," said Mr Schafer. "Our raw materials have to be brought in and our main customers are quite a way from here. But what started the industry was the ingenuity of a few people who lived here."

It all began in 1853 when Philipp Moritz Fischer decided to put a pedal on a bicycle to make it easier to ride. As Dr Renn, at SKF, put it: "For this, he needed ball bearings." Without a domestic bearing industry, Fischer had to buy his ball bearings from Britain. Only in 1883, did his son, Friedrich, come up with his own machine for grinding ball bearings.

Needed money

Friedrich needed money to market his invention, and two partners, Fries and Hopflinger, joined his enterprise—which subsequently became FAG—only to quit a short time later after a row and set up their own business. Fries and Hopflinger was one of the six bearing companies which SKF bought up in 1929 to found what is now the heart of its West German operation.

Despite the assertion by one FAG employee that the situation between the two companies had resolved itself into "competition but not open war," there is still some needle. One FAG worker explained that the Swedes had come to Schweinfurt before the arrival of SKF.

King Gustav Adolf twice occupied the city in the 17th century and replicas of his cannonballs still sit in the walls of one building in the city which escaped allied bombing. "We eventually got rid of them," he said with a knowing smile.

Iceland tries to halt economic decline

By Our Reykjavik Correspondent

POOR CATCHES by Iceland's vital fishing industry, coupled with declining export prices and a sharp increase in imports, have compelled the Government to devalue the krona by 13 per cent.

The devaluation, part of a package of economic measures agreed over the weekend, is intended to help restore profitability to the export sector and reduce Iceland's current account deficit from 8-9 per cent of gross national product this year to 4-5 per cent in 1983.

The Government has also decided to curb the wage-price spiral by cutting in half the 16-18 per cent pay increase due to be paid in December to compensate for inflation.

The blue-collar unions have already agreed to a 2.9 per cent reduction in the price compensation pay rise due at the start of next month, and this will now be extended to cover all wage and salary earners.

The adjustment of wages to inflation through indexation takes place four times a year and contributes heavily towards maintaining the pace of inflation in Iceland.

Excise tax on a wide range of products is being increased by 8-10 percentage points for the next six months to help raise revenue, mainly to finance compensation schemes for low-paid workers.

Imports of fishing vessels will be stopped for the next two years since the fleet is already too large. Special measures will be taken to support the industry, mainly trawlers and freezing plants, by channelling book-keeping profits from the krona devaluation to beleaguered companies.

By the Government's reckoning these measures will help restore the balance of payments and contribute to holding inflation at its current 40-50 per cent annual rate.

Dutch union defends pay indexation

By Walter Ellis in Amsterdam

A GOVERNMENT appeal to Dutch employers and workers to abandon wage-price indexation has come under fire from the FNV, the largest union federation in the Netherlands.

It said that price compensation—as the system is known in the Netherlands—had to remain. "It is one of the workers' certainties," a spokesman said, "and we are not prepared to discuss it."

Mr Dries van Agt, the outgoing Prime Minister, said on Saturday that the existing system, whereby wages are linked directly to price rises, could not be allowed to continue. It would best be dropped voluntarily—by all concerned.

The Dutch general election is less than three weeks away, and price compensation is rapidly becoming one of the key campaign issues. The Christian Democrats, led by Mr van Agt, are more or less committed to ending indexation. The Liberals, with whom they are likely to form the next Government, would like to see a return to free collective bargaining, with no obligation on the employers' part to grant any increase at all.

Democrats 66, minority partners in the interim Government, have yet to make up their minds but appear to favour lowering taxes in return for breaking the wage-price link—something the Christian Democrats are also willing to discuss.

The Labour Party, however, finds itself under strong union pressure to withstand any moves in this direction and is becoming isolated politically on the side of traditional workers' rights.

Labour has been making a come-back recently as the economy moves deeper into recession. But it, too, has spoken out in support of economic and financial restraint, which is seen as increasingly vital.

Just before the weekend, politicians of all parties were startled by a report from senior Finance Ministry officials forecasting a public sector borrowing requirement of 10.5 per cent of national income next year. It also criticised the main parties for not taking the situation seriously enough.

Mr van Agt, in particular, was stung by the attack. His latest remarks on price compensation may well be a measure of how vital he considers strong remedies to be.

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscription rates $365.00 per annum. Second Class postage paid at New York, N.Y., and at additional mailing centres.

CRISIS IN GREEK PRESS

Only on Sunday for Athens daily newspaper

BY VICTOR WALKER IN ATHENS

A CRISIS in the Greek press that had been threatening for several months came to a head last weekend with the decision of the Athens daily newspaper, To Vima, to suspend publication as a daily and appear in future only once a week on Sundays.

Coming a few weeks after the closure of the extreme morning right wing newspaper Eleftheros Cosmos, the disappearance of the Liberal 60-year-old To Vima as a daily reduces the number of Athens morning papers to four. Two of these, the right-wing Acropolis and the conservative Kathimerini, have admitted they are facing acute difficulties.

If they were to close the Greek capital would be left with only two morning dailies: Rizospastis, organ of the Moscow-loyalist Communist Party of Greece, and Avghi, representing the Eurocommunist movement. Additionally, four of the nine Athens evening papers have circulation figures below or barely reaching the theoretical survival level.

Latest official circulation figures list To Vima as selling 44,000 copies a day. Advertising agencies say this was an average between a 13,000 circulation from Tuesdays to Saturdays and sales of 150,000 for its Sunday edition, since it was the first paper to introduce a Sunday colour supplement. Greek morning papers publish on Sundays but not on Mondays.

The official figures put Acropolis in first place among morning newspapers with a circulation of 47,000, followed by Rizospastis with 46,000 and To Vima. Kathimerini holds fourth place, with a listed 20,000 circulation and Avghi comes fifth with 10,000.

In its comments on the To Vima withdrawal, Acropolis said it too was facing acute problems but was "not inclined to lower the flag."

Mr Dimitrios Maroudas, the Government Press under-secretary, said an unofficial study by his department had concluded that an evening daily, in order to survive, needed a circulation of between 70,000 and 80,000 and a 30 per cent advertising content.

"Unfortunately, the morning papers in particular have very much lower circulations," said Mr Maroudas. In the Attica basin—the region of the Greek capital—during July and August, the holiday exodus from Athens and Piraeus means morning paper circulations range between 5,000 and 13,000, despite the 4,000 copies bought by public services.

The approach of the Greek morning press towards a financial precipice is blamed on debt burdens, competition from television—in particular for advertising revenue—rising production costs in terms both of newsprint and salaries and obstacles to the introduction of modern printing technology.

There are also circulation difficulties peculiar to morning newspapers. There are no armies of small boys in Greece to carry out home deliveries. Papers are sold mainly from kiosks and at street corners, to people on their way to work, but by 11 am the evening papers are on sale, with their single daily editions. Morning publishers have been asking for years, without result, that the publication time of their evening competitors should be set back at least until the lunch hour.

When evening dailies this month increased their prices from 15 to 20 drachmas (from 12 pence to 16 pence), the morning dailies for the first time did not follow suit, because of falling circulation figures at a time when recession in Greece has bitten deeply into advertising revenues as well as sales.

In an indirect reply to the warning by the journalists' unions on the threat of unemployment, a Press ministry official indicated that journalists losing their jobs on To Vima would probably be absorbed in public sector Press offices or in the second television of Hellenic Radio and Television (ERT), to be shortly in place of forces channel.

U.S. aims to boost grain supplies to Soviets in new deal

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

THE U.S. is pressing ahead with plans to increase grain sales to the Soviet Union, following Moscow's acceptance of President Ronald Reagan's offer of a one-year extension of the current agreement, which expires on September 30.

Mr John Block, the U.S. Secretary of Agriculture, said that Soviet acceptance of the offer, made on July 30, was proof that Moscow believed Mr Reagan's pledge that the U.S. would again be a "reliable supplier."

There had been some speculation that Moscow might turn down the offer, and further diversify its sources of supply, as a result of Mr Reagan's sanctions against the Siberian gas pipeline.

Administration officials made it clear at the weekend that Mr Reagan still intended to enforce sanctions "vigorously," despite the outcry they have provoked in Western Europe.

The administration was yesterday reported to be considering how to prevent a first sanctions-breaking shipment of equipment from the French subsidiary of the Dallas-based Dresser Industries Corporation, due to be loaded onto a Soviet freighter in Le Havre this week. Officials said that various combinations of legal and diplomatic action were being examined.

On the grain front, the administration is seeking to rebuild its share of the Soviet market, which has dropped from 90 to 30 per cent following the post-Afghanistan grain embargo imposed by President Carter in January 1980. Mr Block said he would be in immediate contact with Moscow to fix a date for negotiations.

Under the current agreement, the Soviet Union must buy a minimum of 6m tonnes and may purchase up to 8m tonnes without official U.S. permission. The U.S., faced with huge unsold grain surpluses, has offered a further 15m tonnes under the current agreement, and the Soviet Union has so far bought 13.9m tonnes.

The Soviet Union is expected to buy a total of about 46m tonnes from all sources this year. Since the U.S. grain embargo, it has diversified its sources to include Canada, Australia and Argentina.

India buys U.S. wheat, Page 17

Call for reforms in Venezuelan oil policy

BY KIM FUAD IN CARACAS

FORMER VENEZEULAN energy minister, Sr Valentin Hernandez, who oversaw the nationalisation of the country's oil industry in 1976 has called for a reform of the South American producer's petroleum policies in a sharp attack on the present administration.

Breaking 3½ years of silence since he left the energy ministry, Sr Hernandez said in an interview in the economic weekly Numero that the Energy Ministry's eroding power should be reasserted over the state oil monopoly, Petroleos de Venezuela, in oil affairs.

At the same time, he was critical of increasing state oil industry production costs, the role of private enterprise in the oil industry and what he termed unnecessarily large investments in developing the country's huge heavy oil potential in the Orinoco oil belt.

The former minister's views are believed to reflect leading opposition party thinking in oil matters since Sr Hernandez is an adviser to top-level leaders in Accion Democratica.

Sr Hernandez expressed worries over the state concern's increasingly larger role in determining Venezuelan oil policies and particularly in handling Venezuela's oil affairs in the Organisation of Petroleum Exporting Countries.

He insisted that the Energy Ministry should formulate policy while the state oil monopoly limited its activities to executing it.

He also called for stricter controls over growth in production costs, which he said have outstripped the general inflation rate in Venezuela. He suggested that an internal comptroller be established to keep an eye on costs, which grew to $3.5bn last year, when Venezuela produced less than 2.2m barrels a day (b/d).

Sr Hernandez also criticised the present Venezuelan administration's policy of promoting a larger role for national goods and service companies within the oil industry. He said that unless controls were established, Venezuelan companies could simply become intermediaries for international firms.

Venezuela's current plans to invest over $6bn in initial development of the Orinoco oil belt's estimated one trillion (million million) barrels of heavy and extra-heavy oil were also criticised by the former minister.

Rather than undertake such massive investments, aimed at producing 225,000 b/d of Orinoco oil by 1988, Venezuela should do small-scale research work and later seek association with foreign consumers to bring large volumes of Orinoco oil onstream, Sr Hernandez said.

Aluminium industry seeks early pact talks

By Richard Lambert in New York

UNION LEADERS from the aluminium industry will meet in Pittsburgh on Friday to consider a formal request from the aluminium manufacturers for early renegotiation of the current three-year labour agreement, which expires next May.

The two sides have been talking informally since April about the problems of the industry, which has been seriously squeezed in tha current recession.

The main union involved is the United Steelworkers, which last month rejected the steel companies' proposals for radical changes in their labour contract. However, the problems of the aluminium industry are less fundamental than those of the steelmakers, and the union suggested yesterday that it might be "less difficult" to reach a deal with the aluminium companies.

No formal proposals have so far been made to the two unions, the United Steelworkers and the Aluminium International Union, which will consider the industry's request separately next Saturday.

The key date for the negotiators is September 6, when quarterly cost-of-living adjustments and incremental pay awards go into effect under the existing agreement in time to modify those payments.

In the past, the aluminium contract has usually been negotiated before the steel labour pact, and has sometimes set precedents which have later been followed in the steel industry.

Church plea on Salvador violence

MONSIGNOR Arturo Rivera y Damas, the leader of the Roman Catholic Church in El Salvador has called on the rightist government to ban paramilitary groups accused of killing innocent people, AP reports from San Salvador.

Politicians and newspapers recently have been demanding that the Civil Defence Corps, a paramilitary organisation of rural guards blamed for the murder of civilians, be disarmed and disbanded or incorporated into the regular armed forces.

Peru guerrilla attack

SIX civil guards and 20 guerrillas died during a five-hour attack on Saturday against a civil guard station in a remote Andean village, AP reports from Peru.

A police spokesman in Ayacucho said three more guards were critically injured. He added that the guerrillas fled the scene, carrying some of their wounded.

The Government declared an indefinite state of emergency at the weekend in the provinces of Lima and Callao to give the police a free hand to wipe out terrorist activity.

Richard Lambert in New York examines recently approved U.S. fiscal legislation

Reaganomics put on trial by tax package

HOWEVER it is dressed up, the complicated tax package which was finally approved on Capitol Hill last week marks a major reversal of U.S. tax policy. The Economic Recovery Tax Act of 1981 proposed to cut taxes by $750bn (£440bn) over five years. The Tax Equity and Fiscal Responsibility Act for, as it has already been dubbed, Tefra of 1982 stands to increase them by $215bn over a similar five-year period.

President Ronald Reagan has claimed that the main impact of the new measures will be to close loopholes in the existing law. That view implies a very broad definition of what constitutes a loophole. Some of the biggest revenue gains under the legislation are simply the result of clawing back concessions made to industry in the 1981 Tax Act, mainly in relation to accelerated depreciation and the transfer of unused tax benefits.

The main burden of the extra taxes will fall on the company sector. The 1982 Act is expected to raise revenues by nearly $18bn in 1983, of which $5.4bn will come from business. By 1987, the estimated revenue increase amounts to $64bn, of which business will provide more than $40bn.

The package bears the marks of fierce lobbying. A provision which would have limited the deduction for business meals has been abandoned, much to the disappointment of the nation's cartoonists. Special concessions have been made for the airlines, which had threatened wholesale cancellations of aircraft orders if the so-called "safe harbour" leasing rules were changed. As a result, United Airlines has already announced that it will, after all, definitely take delivery of the first 19 Boeing 767 aircraft it has on order.

Special interest groups aside, the new Act has split the business community into those who think, like the President, that it is a necessary price to pay for a sound fiscal policy, and those who say that it represents a betrayal of everything Mr Reagan stands for. The Administration still has widespread backing from business, but even among its most ardent supporters its economic strategy is now on trial.

The only certain winners from Tefra are the tax lawyers and accountants. The fourth major piece of tax legislation in six years, the fine print is twice as lengthy as that in the much more radical 1981 legislation, and it will be some time before the full implications of its scores of separate provisions can be assessed. He are soma of the more obvious points.

Individual taxpayers will not be able to claim such large tax deductions for medical expenses or for losses incurred by accidents or theft when they are not insured as they have in the past. The minimum tax rules have been tightened for wealthier individuals, and people will hava to pay more for their cigarettes, telephone service and flight tickets.

Important new withholding rules will apply on payments of interest, dividends, pensions and annuities. The idea is to catch those investors who cheat when it comes to declaring their investment income, and to improve the Treasury's cash flow by bringing forward the moment at which tax becomes payable.

Withholding is to be at a flat rate of 10 per cent, and there are a number of exceptions—for instance, covering small investors and foreign taxpayers who are already subject to withholding rules. The information reporting requirements have been changed considerably to cope with this new measure, and some nasty-looking penalties have been added to hit companies that fail to comply.

To reduce the scope for failing to report interest income, severe restrictions have been imposed on the sale of non-registered "bearer" obligations. This will not prevent companies from issuing bearer bonds for sale outside the U.S. But, according to accountants Touche Ross, if there is a chance that the bond could be acquired by an expatriate it will have to carry a warning that there could be adverse tax consequences for the U.S. citizen when the bond is sold.

Other changes which will affect investors include measures to prevent the creation of artificial tax losses by stripping coupons from bonds and selling them separately, and to change the tax treatment of original issue discount bonds, in a way that may make them rather less attractive to the issuer.

The Act has not incorporated proposals for reducing from 12 months to six the holding period for long-term capital gains, but Touche Ross thinks there is a good chance that this could still come to pass in a rather different form, later this year.

Sweeping changes have been made to various key parts of last year's Economic Recovery Tax Act. Legislation, which would have permitted speedier depreciation in 1985 and 1986, has been repealed. When it comes to working out their depreciation provisions, companies will have to reduce the basis of their assets to allow for various investment tax credits which they might be receiving. Together these changes will reduce company cash flow in 1987 by roughly $24bn from what it would have been under the old rules—much the biggest item in the whole tax package.

REVENUE EFFECTS OF THE NEW TAX PROVISIONS
($m)

	1983	1984	1985	1986	1987
Individual income tax provisions	272	3,113	3,106	3,336	3,556
Business tax provisions	5,422	13,292	16,497	28,042	40,116
Compliance provisions	3,365	8,869	8,660	10,174	11,217
Pension provisions	194	780	870	970	1,058
Life insurance and annuities	1,942	2,155	2,920	3,138	3,370
Employment tax provisions	1,904	3,083	3,577	2,853	2,572
Excise tax provisions	2,798	4,009	4,702	2,054	1,472
Miscellaneous	−38	−37	−34	−32	−30
Total tax provisions	15,859	35,264	40,298	50,535	63,331
Gain resulting from extra enforcement personnel	2,100	2,400	2,400	1,300	600
Grand total	17,959	37,664	42,698	51,835	63,931

The legislation also cracks down on the safe harbour leasing rules introduced last year and designed to let companies transfer tax credits which they could not use (generally because they were making losses) to other businesses which could make use of them. This became controversial when it turned out that some big profitable companies were avoiding tax altogether by exploiting the rules.

They are now to be scaled back considerably, and repealed altogether after 1983, when they will be replaced by less generous provisions. There are various transitional rules to help, among others, the airlines. Accountants Ernst and Whinney say the changes will substantially reduce the use of safe harbour leasing. Companies which would otherwise have transferred their tax benefits will now retain them or enter into old-fashioned leverage lease transactions.

There are also some important changes affecting the international operations of U.S. companies. One covers the tax treatment of foreign oil-related income. Ernst and Whinney says it will have far-reaching effects on the foreign operations of U.S. oil and gas companies.

Another charge will limit the attractions of Puerto Rico as a tax haven. This will be felt in particular by some U.S. drug and electronics manufacturers which have made considerable use of these loopholes.

One concession is that companies will now be able to make deductions for payments to foreign officials, even though they may violate a U.S. federal law. But such payments must comply with the U.S. Foreign Corrupt Practices Act, and with local law. It will also be possible to deduct so-called "grease payments" made to foreign government officials to facilitate routine administrative actions. That sounds like quite a step back from the former high-minded attitude of the U.S. authorities.

Major changes are to be made in the tax treatment of life insurance companies. Many of these will apply for only two years, because the issues are so complex that Congress wants a chance to re-examine them if necessary. The treatment of co-insurance contracts has been a hot topic in the rarified world of life companies—and the new legislation could hit them for $2bn a year and more.

Canada's banks face further retail closures

CANADA'S five largest banks have closed 117 retail branches across the country since November 1981 and consumers should be prepared to accept the closing of at least another 90 before the current fiscal year ends on October 31, according to a Canadian Bankers' Association survey made public by the banks on Monday, Victor Mackie reports from Ottawa.

Mr Dale Parker, executive and vice-president and general manager of domestic banking at the Bank of Montreal, warned that the public could expect some inconvenience.

Trudeau seeks premiers' backing on programme

BY VICTOR MACKIE IN OTTAWA

THE CANADIAN Government's new anti-inflation campaign, intended to avoid explicit wage and price controls will be on the line this week when the 10 premiers meet in Halifax.

Mr Pierre Trudeau, the Prime Minister, considers the provinces' agreement to establish a programme similar to his own vital if the campaign is to succeed and mandatory controls avoided.

The Prime Minister has asked the premiers to:

- Keep public service wage increases to 6 and 5 per cent over the next two years.
- Impose similar controls on provincially regulated prices.
- Join Ottawa in using the awarding of Government contracts and subsidies to persuade the private sector to adopt the programme.

Ottawa is particularly worried about the position Ontario's premier, Mr Bill Davis, will take. His province is the largest and the centre of much of Canada's manufacturing industry.

Mr Davis will announce his plan today at the three-day conference. He has been hinting that he may propose full voluntary wage restraints on all sectors.

OVERSEAS NEWS

LEBANON: THE AFTERMATH

Israelis anxious over shift in U.S. attitude

BY PATRICK COCKBURN IN JERUSALEM

THE PROSPECT of a new U.S. peace initiative in the Middle East, including negotiations on more autonomy for the Palestinians on the West Bank and in the Gaza Strip, is causing anxiety in Jerusalem.

Over the weekend both Mr George Shultz, the U.S. Secretary of State, and Mr Caspar Weinberger, the U.S. Defence Secretary, said that U.S. was putting together a scheme for the revival of Arab-Israeli negotiations. Although the plan has not been finalised, its centrepiece is likely to be proposals for a broader measure of autonomy for the Palestinians in the territories adminstered by Israel since they were captured in 1967.

Mr Menahem Begin, Israel's Prime Minister, bas stressed that his government is prepared only to discuss autonomy within the framework of the Camp David accords and the Egypt-Israel peace treaty, as interpreted by Israel.

Israeli unease at the prospect of an American initiative haa been increased by tbe replacement of Mr Alexander Haig as Secretary of State by Mr Shultz, and by the Reagan Administration's increasing perception that it needs a new and stronger policy towards the Middle East. This will inevitably be less favourable towards Israel.

This shift in U.S. attitudes followed Mr Reagan's expressed outrage at the way Israel's final 11-hour bombing of Beirut could hinder or even balt the evacuation of the Palestinian fighters.

The refusal of Mr Begin and his Cabioet to modify their stance on the West Bank is likely to increase tension between Washington and Israel.

An official in Jerusalem said that the Government rejected Mr Weinberger's suggestion that they had no right to blockade Beirut barbour with missile boats on Sunday, preventing a ship carrying PLO members and 18 of their Jeeps from leaving.

● Israel yesterday reported renewed clashes with Palestinian guerrillas in eastern Lebanon, where tension was risiog betwen Israeli and Syrian forces.

A military spokesman said the Palestinians fired bazooka rockets during the night at an Israeli positioo north of Mansura in the Bekaa valley. The fire was returned.

A second group of guerrillas fired several mortar shells at another positioo io the same area. The Israelis suffered no casualties.

The warlord tries conciliation

BY STEWART DALBY AND NORA BOUSTANY IN BEIRUT

THE ELECTION of Mr Bachir Gemayel, the commander of the Right-wing Christian Phalange Militia, to the presidency of Lebanon, brings considerable consternation to a great number of Moslems and Left-wingers.

The key question now is whether Mr Gemayel, 34, can shake off his image of being merely a warlord with some notable and unsavoury bloody incidents ascribed to him and mature into the kind of conciliatory President so crucial now if Lebanon is to avoid sliding back into its traditional divisive politics, civil war, and possibly partition.

A Christian Maronite from Bikfaya, Mount Lebanon, Mr Gemayel was the youngest of six rbildreo. He started regular military training at the age of 11, when he joined the Kataeb Phalange Militia. His father, Pierre, originally a pharmacist, founded tbe Kataeb Party after attending the 1936 Olympics in Germany.

He formed a group of athletes and a paramilitary group to emulate the discipline he bad admired among the Nazis.

In April, 1975, at the age of 27, Mr Gemayel closed his law office in Hamra—the fashionable area of Moslem-dominated West Beirut — and has not returned since.

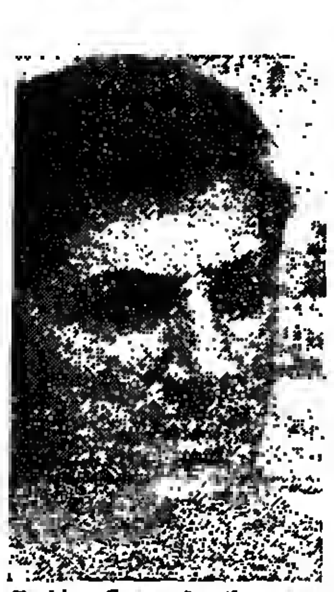
He trained to be a lawyer at the Jesuit St Joseph University. He fought io the 1975-76 civil war battles in Beirut and in the mountains against Palestinians and their fellow Moslem Left-wing allies as one of the deputies of Mr William Hawi, then commander of the Phalange Militia.

When Mr Hawi was killed, Mr Gemayel was appointed as commander in chief of the Kataeb Military Council. He later formed the "Lebanese Forces," grouping all Christian Lebanese militias with the Phalange Party as its backbone.

Opinion about Mr Gemayel is very divided and not just along Moslem and Christian lines. There are those who are suspicious of his close association and—on occasion—co-operation with the Israelis.

Others feel that Mr Gemayel has changed. They argue that he bas matured and that he genuinely wants to forge a rapprochement with Moslems.

What be has in his favour is the war weariness of most Lebanese. This cuts across religious divisions and there does seem to be a desire for someone strong, even if he is politically flawed. Traditionally, and by constitution, the President of Lebanon must be a Christian.



Bachir Gemayel: the new Lebanese President

The problem with Mr Gemayel, is that he will, until be acts to disprove his image, be judged on his allegedly bloody past rather than his possible actions in the future.

Indonesia likely to cut crude oil prices

By Richard Johns

INDONESIA is on the verge of cutting prices for two of its main varieties of crude oil in response to pressure from Japanese purchasers, according to reports from Jakarta.

It has already extended credit terms from 30 days to 90 days in a bid to maintain slipping exports—giving an effective discount of about $1 per barrel.

The cuts now being contemplated are said to be 15-20 cents a barrel, for 35 degree Minas crude, off an official selling price of $35 per barrel and $1 off the price of its 34 degree Cinta crude, presently at $34.

New rates are expected to come into force from the beginning of next mooth in what would be the first reduction in official selling rates by a member of the Organisation of Petroleum Exporting Countries (Opec) since the spring.

● Saudi output from the fields of the Arabian American Oil Company, is understood to be running at 5.5m barrels a day (b/d). Some 3.7m b/d of this is accounted for by the four U.S. majors which are partners in the operation.

Iraq threatens to destroy Kharg terminal

IRAQ SAID it will destroy the Iranian oil terminal on Kharg Island in the Gulf if Iran continues to shell Iraqi towns and refuses to make peace, Reuter reports from Beirut.

A report quoted by the official Iraqi news agency Ina said the total destruction of Iraq's main outlet for oil exports was the second stage of an Iraqi warning to Iran.

The first stage was to cordon off the island and bomb any foreign ship that tried to dock there, Ina said.

Terry Povey adds: Opposition Mojahedin guerrillas claimed yesterday to have exploded bombs inside the Lavizan barracks in Tehran, destroying radio-jamming equipment used by the Government to block their clandestine radio broadcasts.

Our Harare Correspondent reports on recent guerrilla activity

Fears for Zimbabwe's security

THE KILLING of three white meo dressed in an assortment of military uniforms, part of a heavily armed group apparently infiltrating south-eastern Zimbabwe from neighbouring South Africa, bas considerably strengthened the credibility of Mr Robert Mugabe's frequent accusation that Pretoria is bent on destabilising his government.

The Zimbabwean Prime Minister has accused South Africa of "unprovoked, naked aggression," and said evidence was increasing all the time that South Africa planned to invade his country.

There has been no positive identification of the bodies, shown to the Press at the weekend, although security officials say the dead meo may turn out to have been ooe-time members of the former Rhodesian army. But eveo if they were "irregulars," and no direct link can be traced back to the South African Defeoce Force, the balance of probabilities must overwhelmingly suggest that South Africa can be their only source of refuge and resupply.

The latest clash is an ominous development for Zimbabwe's already tense security situation, with the country now apparently facing both internal and external threats.

Since the dismissal from the fragile Coalition Government of veteran nationalist Mr Joshua Nkomo last February, after arms caches were found on property belonging to his Zapu party, the Governmeot has faced increasing armed violeoce.

The culprits are apparently former members of Mr Nkomo's Zipra guerrilla force who deserted from the national army after their leader was dismissed from the Cabinet. Initially they concentrated on robbing remote grocery stores and buses. In the past two months, however, three white farmers have been killed, and in two cases the motive was not obviously robbery. The death toll resulting from such incidents has riseo to at least 50, and is probably considerably bigher.

A clear political motive emerged when former dissidents abducted six foreign tourists at gunpoint from a trans-Africa safari north of Bulawayo on July 23. A large-scale operation launched by 1,500 troops and police has failed to recover the bostages. A note signed "Zipra guerrillas" demanded the release of those of Mr Nkomo's aides who are beld in deteotion in return for the safe release of the tourists.

Earlier incidents were mainly coofioed to western Zimbabwe's province of Matebeleland, the source of Mr Nkomo's political support. But there is evidence that the guerrillas are spreading their area of operations.

In recent months, arms and ammunition have been taken from military bases at Grand Reef, near the eastern city of Mutare, and at Murewa, north east of Harare. Shots were fired at Mr Mugabe's official residence in Harare, and three young British tourists were murdered last month in the Inyanga mountains tourist area by unknown gunmen.

While internal violence has mounted, the country bas also faced a continuing campaign of sabotage considered more likely to be externally inspired.

Last year, the office block housing Mr Mugabe's Zanu party headquarters was destroyed by a bomb placed on the top floor, and the army's main munitions dump was blown up. In July, 13 aircraft, including four new Hawks from Britain, were damaged or destroyed when sophisticated explosive devices were placed in jet intakes at the air force's biggest base, Thornhill, near Gweru.

If the intercepted incursion last week is the start of a determined drive to step up sabotage and unrest within the country it will add a new dimension to the threat to the country's security. Contact with the 12-man group, white and black, came soon after Zimbabwe's 50,000-strong army deployed units around nearly 800 miles of border with Mozambique and South Africa. Mr Emmerson Munangagwa, the Minister of State for Security in the Prime Minister's office, said the army bad been deployed to prevent incursions by the Mozambique Resistance Movement (MRM), which is conducting a military campaign against President Samora Machel's government.

Mr Mugabe said on Saturday he did not believe the gang which entered Zimbabwe were MRM members. He was convinced they were members of South African forces "From their papers and equipment it appears they were preparing for action—probably sabotage."

Robert Mugabe . . . accuses South Africa of "unprovoked, naked aggression".

Weapons found at the scene of the incident included rifles, rocket launchers, grenades, mines and mortars from Eastern bloc countries—commonly used by all guerrilla movements in Southern Africa —but Nato-type radios were abandoned by members of the gang, who fled to the south, said Mr Mugabe. Medical supplies came from South Africa and Ireland. The tins of food carried by the men had had the labels removed.

Sobhuza's successor faces a troubled land

BY BERNARD SIMON IN JOHANNESBURG

THE TINY kingdom of Swaziland, which lies landlocked between South Africa and Mozambique, faces a testing time following the death at the weekend of Kiog Sobhuza II, the world's loogest-reigoing monarch.

There is no indication yet as to who will succeed to the Swazi throne, or how the succession will be made.

The new monarch will take the throne at a difficult time, both politically and economically, for Swaziland, the second smallest country in Africa. In particular he will find it difficult to match the stature and respect which Sobhuza enjoyed, from bis 0.6m subjects.

King Sobhuza, who was 83, reigned for 60 years, ascending to the throne in 1921 after two decades of rule by a regent. The mooarch is said to have fathered several hundred children from his 100-odd wives.

Little is known by anyone outside Swaziland's tribal system how the new monarch will be chosco. According to ooe report, Sobhuza nominated his successor several years ago. Until the oew ruler is named, the Queen Mother—the most senior of Kiog Sobhuza's wives —will act as regent.

The Swazi monarch has wide constitutional powers, including the appointment of cabinet ministers. Although Swaziland does have a Western-style form of government, this exists in parallel with a traditional tribal system which can generally enforce its wishes on the modern sector.

In the long-term, the monarch will be faced with the problems of most other developing countries—rapid urbanisation, high unemployment and some distrust, especially among young people, of the old order.

Swaziland's economy has suffered heavily from the drop in the world price of sugar, which accounts for almost half total export earnings.

The overall growth rate is expected to be no more than 1 per cent this year, compared to projections of 2-3 per cent increase less than a year ago.

On the political side, the new ruler will inherit the controversy over South Africa's decision to cede the Kangwane tribal "homeland" and part of Kwazulu to Swaziland.

Sobhuza's successor is unlikely to deviate from his policy that all Swazis should be united under one monarch. The new ruler will have to continue Sobhuza's delicate balancing act between Swaziland's position as a black-ruled country within the Organisation of African Unity and its close dependence on South Africa.

Swaziland allows the militant black nationalist movement, the African National Congress, to maintain a semi-official presence on its territory, but at the same time turns a blind eye to an extensive South African intelligence network.

WORLD TRADE NEWS

Tehran asks Italians to complete Bandar Abbas port project

BY TERRY POVEY

IRAN HAS asked an Italian consortium to complete construction of the major Baodar Abbas port project on its southern Gulf coast. Consultants involved in the project say that its total cost could well rise to over $1.5bn (£882m).

Italy's state-owned engineering company Condotte D'Aqua, which beads the Italconstruct consortium, has accepted in principle the request from Iran's Ports and Shipping Orgaoisation (PSO) and is currently drawing up a detailed programme for the work to be completed over the next two to three years.

Begun in 1975 as an $800m turnkey project, Bandar Abbas's new port was the subject of lengthy negotiations between Italconstruct and the Iranian authorities for much of last year. An agreement in August 1981 saw the project scaled down to 75 per cent of its design size and a 13-month deadline set for completion.

Iran's PSO has apparently been convinced that Bandar Abbas, situated in the Straits of Hormuz at the mouth of the Gulf and well outside the range of Iraqi MiG fighters in the war with Iraq, will be central to the country's longer-term importing needs.

A connection joining the port to the country's rail network is planned, as is the up-grading of local roads.

Bandar Abbas is the base on which rests a substantial Italian involvement in post-revolution Iran. Italy has the largest expatriate community in the country of any Western state, at 2,000, more than double the figures for West Germany and Japan, the next largest.

According to recent figures, there were less than 25 UK citizens resident in Iran, although businessmen make frequent visits.

Overseeing the project for the PSO are the Dutch consulting engioeers and architects Haskoning BV, who work through Holland's umbrella overseas engineering group Nedeco.

Nedeco (Iran) is building its staff up to about 70, of whom the majority—some 40 to 45—will be Iranians, for the expanded project.

Among the Nedeco expatriate staff will be a number of Britons as Haskoniog earlier this year hired the Bournemouth-based Grove Personell company to "head-hunt" some staff for it in the UK.

With a one year £¼m-plus contract Grove have already found seven recruits for Haskoning. These are expected to leave for Iran within the next two weeks.

Grove are bopeful that the 900 replies they received for the initial seven posts offered in Iran is indicative of a willingness of UK engineers, quantity surveyors, project managers and others to still work in Iran despite the post-revolution turmoil.

These Britons will join the rest of the Nedeco staff in Tehran or at the site. Alongside them will be some 500 Italians working for Italcontractors and at least 3,000 locally-hired labourers.

With work on the project still continuing the major gearing-up operation will not be taking place until Italconstruct has completed the revised work schedules, this is expected to be within the next two months.

During this time, the Italian companies are clearly hoping that all payments for work already done will be brought up to date and that the PSO will use this opportunity to restore past difficulties.

New Delhi takes steps to boost China ties

By D. P. Kumar in New Delhi

INDIA is taking steps to expand bilateral trade with China, while awaiting a positive response to a suggestion that the two countries come to an understanding to avoid underselling of several items in the foreign market.

India is facing strong competition from China in items like tea, jute, textiles, sports goods, knitwear, woollens and light engineering items.

According to officials, India suggested to China during the visit in May of Mr Wang Zbizi, Deputy chief of Bureau, Ministry of Foreign Economic Relations and Trade, that to ensure reasonable foreign exchange earnings for both the countries, the two should agree not to sell specific agreed items below a certain price.

In 1979-80, figures for which are now available, the total value of exports from India was Rs 205.5m (£12.6m), while imports from China in the same period totalled Rs 189.1m.

India bought silk, chemicals, zinc, spices, textile yarn and petroleum products from China, which imported cotton, iron and steel, sugar, honey and iron ore, and other items in return.

Bilateral trade with China was resumed in June 1977, a year after the exchange of ambassadors between the two countries.

India airports authority wins S. Yemen order

By K. K. Sharma in New Delhi

THE International Airports Authority of India (IAAI) has won a contract to construct an airport in Al Ghaida, South Yemen, at a cost of Rs 230m (£14.2m) on a turnkey basis. The contract involves construction of the main runway, taxi tracks, two aprons, buildings and a number of electrical and mechanical works. IAAI won the contract after building an airport at Riyan in South Yemen, also on a turnkey basis.

Danish group in U.S. deal

BY HILARY BARNES IN COPENHAGEN

THE A. P. MOELLER shipping group is to sell three fast going E-type container vessels to a U.S. consortium which is to charter the vessels to the U.S. Navy

The agreement includes an option for the sale of two further vessels of the same type, according to A. P. Moeller.

The vessels were all built at A. P. Moeller's Danish shipyard in 1979-80. They cost a total of about DKr 750m (£53m).

Jamaica's partners are levelling accusations of import cuts, Canute James reports

Trade war brews up in the Caribbean

A TRADE war is brewing between the larger members of the Caribbean Economic Community.

The quarrel pits Barbados and Trinidad and Tobago against Jamaica. The former claim that Jamaica bas been less than fair in regional trade, while Jamaica argues that it bas been honouring the treaty under which the 12 English-speaking countries in the region formed their accord nine years ago.

Trade betweeo community members — which have a population of 5.5m betweeo them — has grown from $235m (£138m) in 1973 to an estimated $1bn last year.

Now, say Trinidad and Barbados, Jamaica is reducing the level of imports from her community colleagues. The Jamaican government bas been issuing fewer import licences for her neighbours, they claim, while increasing the volume of imports from third countries.

This, say exporters in these two countries, will shift regional trade heavily to Jamaica's favour, to the detriment of its partoers.

Barbadian manufacturers have been threatening to retaliate by cancelling orders for imports from Jamaica. Manufacturers in Trinidad and Tobago have beeo threatening to do the same, accusing Jamaica of protectionist policies.

The traders' concerns have been heightened by the fact that with 2.2m people, Jamaica is the community's largest single market.

These complaints have been supported by Jamaican businessmen who have been accusing the governmeot of not allowing them enough import liceoces, and access to scarce foreign funds, to import raw materials for local factories.

All this is not true, claims the Jamaican government, and is the result of "misinterpretations and misunderstandings." Mr Douglas Vaz, Industry and Commerce Minister, says that in the first six months of this year the government issued licences valued at $16.2m for imports from Barbados. This compares favourably with imports valued at $10.2m last year, and $6m in 1980.

In the case of Trinidad, the Minister says, imports for 1980 were $43m, for last year $63m, and for the first six months of this year, licences valued at $73m had been approved.

The importance of the argument brought Mr Tom Adams, the Prime Mioister of Barbados, to Jamaica last month to discuss it with Mr Edward Seaga, his counterpart.

Mr Adams said at the end of his visit that he was pleased at the efforts Jamaica was makiog to deal with the problem. Mr Seaga is understood to have told Mr Adams that because of this island's chronic shortage of hard currency, not much more could be expected by eastern Caribbean exporters.

Trinidad and Barbados bave no such problems in their trading relations. A recent Barbadian mission to Trinidad ended with bopes of doubling trade volume to about $50m a mooth.

Jamaica has no problem selling to its community colleagues. Exports to the other members of the group, says Mr Vaz, totalled $30m in May. If the importers in the other countries do not carry out their threat of cancelling orders—and they are not expected to—this will increase.

Ironically, the issue bas blown up after the community took two steps to streamline regional trade. The first allows goods traded between members of the community proferential access if local added value is at least 50 per cent in the case of the four larger members—Jamaica, Guyana, Barbados, and Trinidad and Tobago—and 40 per cent in the case of the other eight—Antigua, Belize, Dominica, Grenada, Montserrat, St Kitts Nevis, St Lucia, aod St Viocent.

The second effort was the improvement of a multilateral clearing facility established four years ago to streamline payment for regional trade. The credit limit was recently moved to $100m.

The complaints about unfair trading will be a key item oo the agenda when the community's political leaders meet here in October. By then, they will have to set about repairing the damage, and sboring up confidence among the region's traders oo the basis that the pursuit of the objective of widening trade is still worthwhile.

The improvement of regional trade relations was a major aim behind establishing the community in the first place: indeed its predecessor was the Caribbean Free Trade Association. Another aim of the community was to increase co-operation in education, transport, health, finance and agriculture.

But the element of trade has remained paramount. The community's treaty says one of its objectives was "the strengthening, co-ordination and regulation of economic and trade relations among member-states in order to promote their accelerated, harmonious and balanced development."

The trade which has developed in the region is based on the exchange of a range of light manufactured goods, food and consumer durables.

The political leaders will find it hard to argue sensibly about trade problems—while at the same time protectiog their coostituents' best interests—when unemployment in the region averages 18 per cent and exports worth a mere $500,000 a year can determine the survival of a company.

Malaysia and Singapore aim to end rivalry

BY WONG SULONG IN KUALA LUMPUR

MALAYSIA AND Singapore, rivals for decades, have begun to forge a new phase of economic and political co-operation.

The event which both sides regard as a turning point was last December's visit to Singapore by Dr Mahathir Mohammad, the Malaysian Prime Minister, when many outstanding issues were resolved.

The two countries were able to enter into some meaningful agreements during Sunday's visit to Kuala Lumpur by Mr Lee Kuan Yew, the Singapore leader.

At a joint news conference, itself a significant pointer to the closer relationship, the two Prime Ministers disclosed that they bave agreed to co-operate in aviation and tourism, water resources, industrial development and civil service training.

A joint air shuttle service would be set up to exploit the tourist potential of Malaysia and the strategic location of Singapore.

The two national airlines would also have an equal share in the revenue from common routes. This would end the current competition and allow the two carriers to spread their flights throughout the day
Reuter

ECGD backs £90m loan to Pertamina

By Our World Trade Staff

THE EXPORT Credits Guarantee Department has guaranteed a £90m loan which the Bankers Trust company, acting on its own behalf and for a syndicate of banks, has made available to Pertamina of Indonesia.

The loan will help finance a contract awarded to Thyssen Steel for the construction of an aromatics plant at Plaju, near Pelembang, South Sumatra. When completed the plant will use domestically available naphtha to produce feedstock for Indonesia's fast expanding textile industry.

Marcos urges preference system for Third World

BY OUR MANILA CORRESPONDENT

EXPERTS OF the Group of 77 began a one-week meeting yesterday which may firm up a draft declaration to bring the Third World closer to a Global System of Trade Preferences among Developing Countries.

The system is the major item being reviewed by a co-ordination committee for Economic Co-operation Among Developing Countries (ECDC), a permanent mechanism of the Group of 77.

President Ferdinand Marcos of the Philippines urged the immediate launching of the system, saying it was a measure of potentially far-reaching significance.

President Marcos' statement read by his Prime Minister, Mr Caesar Virata, disclosed that the Association of South-East Asian Nations (ASEAN), of which the Philippines is a member, will take a strong stand at the next ministerial meeting of the General Agreement on Trade and Tariffs in Geneva in November.

Developing countries were concerned about export credits and wanted exemptions from the Organisation for Economic Co-operation and Development (OECD) consensus on credits granted for capital goods, the President's statement added.

RHM pins its sales hopes on 'fasta pasta'

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

RANKS HOVIS McDOUGALL, one of the largest bread producers in Britain, is next month launching a major drive to expand its share of the pasta market in the UK.

Consumption of pasta has grown steadily over the past five years. The market now worth an estimated £84.5m is expected to double by the mid-1980s.

The attraction of such a speciality market for large food companies is spelt out by Mr Mike Herson, marketing director of RHM's Pasta Foods subsidiary. "The dry pasta market has shown a 7 per cent annual volume growth at a time when most of the grocery market is static in volume terms," he says.

PASTA CONSUMPTION IN EUROPE

Pound per head per annum

	1976	1978	1980
Italy	59.0	58.8	58.8
France	13.7	13.1	13.8
W. Germany	9.2	8.8	8.8
Belgium	6.6	6.3	7.6
Holland	6.2	5.8	6.2
UK	1.5	1.6	1.8

Source, Economist Intelligence Unit

RHM is particularly affected by sluggish demand for its mass produced bread, as well as facing stiff price competition from Associated British Foods, its main rival.

"The population of Germany and France eat five times and seven times respectively per head more pasta than the average Briton, highlighting the enormous potential of the UK market," says Mr Herson.

Pasta is the usual description for semolina paste, a product derived from the processing of various forms of mulled wheat. Although a staple dish for expatriate Italians, it was not until the mid-70s that pasta began to make any significant impact in the UK.

Sales of pasta increased for several reasons. Consumer tastes changed, partly as a result of increased foreign travel and partly due to rising living standards, with more people willing to try continental cooking.

Canned pasta also became firmly established as a convenient snack food helped by heavy television advertising (about £2.3m last year).

But the diversity of pasta—it can be used frozen, canned, dry and pre-packed, dehydrated, and in soups—is one of the main reasons for its growth in popularity.

The market is divided into two sectors: canned and dry pasta (uncooked but packaged pasta). Canned pasta sales are almost three times as large as for dry pasta (£62.5m for canned, ond £22m for dry) and production is dominated by Heinz, with Buitoni the main importer.

It is the less developed dry pasta market, however, where RHM sees the most marked growth in the next few years. Sales are expected to grow some 7 per cent by volume and 16 per cent by value.

Dry pasta is characterised by a vast range of shapes and sizes which can be exploited, wheras the canned market has a fairly limited range of products such as spirals, rings, hoops and spaghetti.

According to the Economist Intelligence Unit, RHM's "Record" brand has the largest market share with 14 per cent of dry pasta sales in 1981, closely followed by Buitoni with 13 per cent.

The RHM attack on the market, which will be launched on September 6—includes new products, redesigned packaging, and a rationalisating of its range. "Fasta Pasta" noodles, which are ready in five minutes after hot water is added, are aimed at the 50 per cent who claim never before to have purchased pasta in any dry form.

New packaging will include nutritional information as well as the "anglicising" of some product names to broaden their appeal. Thus descriptions such as caramelle are being changed in favour of the English equivalent "large shells."

Some ten slow-selling retail products and 22 catering lines are also being dropped.

After the doldrums, a gleam of sunshine for a south coast port

PORTS IN BRITAIN

Southampton

Southampton's troubles seem to be over. Andrew Fisher reports

SOUTHAMPTON is still nursing its bruises after last year's run of industrial disputes. But business has been improving, the labour force is working more steadily and the big south coast container port is hopeful about the future.

Southampton once teemed with passengers from the big liners which sailed in and out regularly before the days of mass air travel. Luxury ships like the QE2, cruising again after a post-Falklands refurbishing, and the battle-scarred Canberra still use the port but containers provide the bulk of the business.

Last year, the port went from a £3.4m operating profit in 1980 to a hefty £10.4m loss. The lurch into the red, mainly due to the disputes which lasted into this year, was a severe blow to the ports owner, the British Transport Docks Board.

Due to be partly privatised by the end of this financial year, the BTDB is anxious that the biggest of its 19 ports should now stay free from disruption.

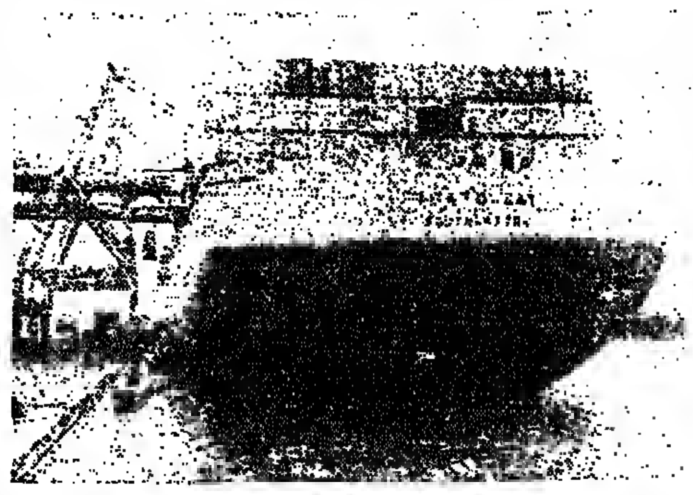
Major lines switched elsewhere in 1981, scared off by the constant labour upsets, but they came back as new agreements on pay, shifts and working practices were worked out.

The port can handle up to 400,000 container units a year, but managed only a paltry 136,000 last year, well down on the 364,000 of 1980. The first half of 1982 saw some catching up, however, to 117,000 units.

Mr Dennis Noddings, the port director, hopes matters have settled down: "I am cautiously optimistic that reasonably established conditions should give us the period of stability we are looking for." Southampton, he says, has really got to show what it can do. The port has just over 1,000 dockers against nearly 2,000 in 1977.

Some of the biggest ships in the world call at the deep waters of the Hampshire port, which has a "double tide" giving 17 hours of rising and high water every 24 hours. Sited in the centre of the south coast, it is handy for Continental Europe—P & O Ferries and Townsend Thoresen are large users—as well as distant ocean routes.

The QE2, over 67,000 gross tons and 963 ft long, is the



largest vessel using the docks. But the big container ships run the Cunard liner close for size. Supertankers also come into the harbour, but offload at Esso's Fawley terminal further down the Rivest Test towards the sea.

Dominating the container area are huge grey cranes, their engines housed in white cabins halfway up the structures. The crane booms reach right over the ships to drop containers on the decks.

In mid-August, two of the biggest merchant ships afloat—Cardigan Bay and Kowloon Bay—lay next to each other on the terminal, their green and white hulls together taking up nearly 2,000 feet. A bright silver Metro-Cammell carriage for Hong Kong's mass transit system was being slowly let down onto the Kowloon Bay.

Both vessels are run by Overseas Containers Ltd. which is British-owned and has four UK market is pumped ashore other ships using the port.

The equally large Benalder was sailing out, one of three Ben Line container ships using Southampton. The Edinburgh company is a partner with OCL, Hapag-Lloyd of West Germany, NYK Line and Mitsui OSK Line of Japan in the Trio consortium which serves the Europe-Far East route.

Other companies and consortia using the terminal include Atlantic Container Line, of which Cunard is a member with Swedish and French lines, SEACS, grouping OCL and other European lines on the South African route, and Dart Containerline, which includes Hong Kong's C.Y. Tung Group.

Two of the port's container berths will be revamped in a £5m development by a new company in which the C.Y. Tung Group will have a majority share and the BTDB the rest. The money will go on new handling equipment and talks with unions are taking place about its operation.

But Southampton is not all containers. The ferry groups provide regular passenger, car and freight services to France and Red Funnel Group sails to the Isle of Wight. Thousands of cars are imported and exported each year and Martini for the into vats for bottling.

This year, the car business has moved up sharply after the disruptions of 1981. With 63,000 cars imported through Southampton in the first half of this year, mainly Renaults and Datsuns, the figure for the whole of 1981 has been more than matched. Exports of BL and Ford cars and trucks at 17,500 units were only 6,000 short of the full figure for 1981.

A new grain export terminal costing £2.5m has been built by Continental Grain of the U.S. and a combined export and import terminal will shortly be built by a group led by Soufflet of France.

For container traffic, Southampton's main UK competitors are Felixstowe on the east coast, nearer to many EEC markets and, to a lesser extent, Tilbury which is part of the Port of London. Dover and small south coast ports are also active on routes to the Continent.

"We intend to hold on to what we have got and strengthen where we can," says Mr Nodding. "We've done reasonably well, given the general recession." The 1982 result will be depressed by the continued disputes in the first couple of months, but he is optimistic about 1983.

Kinnock defends entry plan for mature students

MR NEIL KINNOCK, shadow education secretary, yesterday defended Labour Party proposals to allow students into universities, including Oxford and Cambridge, without first gaining A level qualifications.

He denied the plans would damage the standards and reputation of British universities and colleges.

"It is not a question of 'knock Oxbridge off a pedestal' simply to have some grey morass no one would find acceptable," he said.

Mr Kinnock said on BBC Radio Four's World at One programme that the proposals of Labour's post-18 education working party were simply widening the opportunities already offered by many colleges to mature students wanting to take degree courses without formal qualifications gained at school.

The plans will come before Labour's education sub-committee on Thursday, and are likely to become official policy at the party's annual conference in Blackpool next month.

They are part of a programme designed to provide statutory rights to adult education to people whose schooling ended before A levels.

The party wanted to see colleges "more responsive and more encouraging to the comprehensive sector of secondary education," said Mr Kinnock.

The programme could cost "a lot of money," but it would offer access to university places to many taxpayers which had previously been denied to the overwhelming majority.

Oxford University's head of education studies, Dr Harry Judge, warned that widening access could dilute standards.

A quota of mature students was more acceptable, he said.

Wales faces choice over Sunday drinking laws

BY JAMES McDONALD

A "wet" in Wales may be a political drip by militant Thatcherite standards, but the term in the principality this year refers more often to views about drinking on the Sabbath.

The "wets" and "drys" in Welsh districts have until October 2 to decide whether they want to stand up and be counted on the issue of whether licensed premises should be open on Sundays over the next seven years.

The Licensing Act 1964 says a poll may be held every seven years to decide this question if more than 500 local government electors in a particular district requisition one between August 3 and October 2.

The poll will then determine whether a dry should become wet, or whether a wet area should revert to being a dry one on Sundays.

Mr William Whitelaw, the Home Secretary, will announce in early October the date on which the polls are to be conducted in districts where they have been requisitioned. If no poll is requisitioned in an area, the present Sunday practice, whether wet or dry, will remain in force.

In spite of demands, particularly from the tourist trade, for more liberal drinking laws the opposition, has succeeded, so far, in stemming the tide. In the last polls in November 1975, the districts of Aberconway, Dinefwr, Glyndwr and Llanelli became wholly wet. But Arfon, Carmarthen, Ceredigion, Dwyfor, Meirionnydd and Ynys Mon remained dry.

Scottish Labour Party to aid anti-Thatcher protest

THE SCOTTISH Labour Party said yesterday that it will support trade union demonstrations against the Prime Minister when she visits Glasgow next week.

Mr James McIntyre, a member of the Party's Scottish executive, warned that Mrs Thatcher will face the wrath of the country's working people. She is due to have talks with the Scottish Confederation of British Industry in Glasgow next Wednesday and unions have already announced that there will be demonstrations.

Labour's support for the protest—it will not be mounting a demonstration of its own—came at a Press conference in Glasgow yesterday, where the Party unveiled an information pack it will use to promote party policy.

Last week it was announced that 1,000 Scottish steel workers will lose their jobs in plant closures — and the Party said that it had been one of the most disastrous weeks in years for Scottish industry.

Mr McIntyre said: "Mrs Thatcher is going to meet the wrath of the Scottish working people, whose lives and communities are being wrecked. If 1979 was a winter of discontent on pay, 1982 and 1983 threaten to be a winter of discontent on jobs."

Labour sees the Education and Training Pack as a new method of educating party activists during what it considers to be the early stages of the campaign for the next election. It consists of fact sheets and discussion themes, and the party hopes it will switch attention from Labour's internal organisational changes—and the accompanying wrangles — to policy development.

Why professional people are seeing the advantages of adopting company status

Charles Batchelor on a new look for the old partnerships

PROFESSIONAL people—architects, estate agents, surveyors and solicitors—are dropping their traditional reluctance to set themselves up as companies.

A number of professional bodies have ceased to insist that their members may only operate as partnerships, thus allowing them to take advantage of tax and related benefits conberred by limited or unlimited company status.

"The change has come from the institutes themselves," says Mr John Ottensooscr, a tax consultant. "Until recently many did not allow their members to practise in any way other than partnerships.

"Some now do. But it is a very personal decision depending on the size of the partnership, and so far not many individuals have done it."

Company status, if limited liability form is chosen, meaos the individual's personal assets are kept outside any business failure.

More importantly, a company may retain earnings and avoid the need to pay tax, while in a partnership all profits are trealed as having been distributed and are therefore taxable. Pension schemes in a partnership are therefore funded from taxable income while a company may fund them before tax.

The Royal Institute of British Architects changed its code of professional conduct 18 months ago to allow its members to set up as limited companies.

The institute, which has more than 27,000 UK and overseas members grouped in 4,575 UK practices, continues to sbare the concern of other professiooal bodies that a limited company doea not free an individual from personal responsibility.

Mr Owen Luder, president of the institute, feels that the limitation of architects' liability is the main aim of locorporation.

"Partners are unreasonably exposed to claims for mwork which may have been carried out 15 or more years before. If the builder has gone baorupt, the architect is the easiest person to sue. Since architects do not have limited assets, there is no real protection for the client."

The Royal Institution of Chartered Surveyors bas allowed its 44,000 fully qualified members to operate as limited companies for some years, although it imposes strict conditions.

"Members must get dispensation from us," says Mr Simoo Willans, the secretary of professiooal practice." They must have £25,000 paid-up share capital, and no more than 25 per cent may be beld by outsiders.

"Estate agents in particular choose limited liability status to be able to raise capital. The more conservative members think of themselves as professionals and not as commercial businesses. As professional people they feel they should retain their independence.

"They think it is not in the interest of the profession that, for example, surveyors should he able to limit their liability towards the public, since they undertake work which could lead to substantial liability."

The Chartered Institute of Patent Agents, with 1,260 members, is opposed to them assuming limited liability status. "But they may become unlimited diability companies," says Miss Marion Poole, the secretary. She says several have taken this course.

"This allows them to enjoy the advantages with regard to tax and pension rights, but there is continuing personal responsibility."

The Law Society, with a membership of more than 39,000, remains opposed to allowing company status.

"We have always had the feeling that a solicitor's personal assets should be available to the client," says Mr David Mercer, an officer of the society.

"But there is some move within the profession that members should be allowed to set up as unlimited liability companies, giving tax advantages but still retaining the ultimate claim of clients on their assets. This comes up from time to time and is under informal review."

The Companies Act of 1948 requires chartered accountants working as auditors to act either as individuals or partners and forbids them to take on corporate status.

"But our rules allow the use of company form in areas other than the pure audit," says Mr Eddie Ray, president of the Institute of Chartered Accountants, which has 72,000 members.

"Some partnerships have set up limited companies to handle company registrations, management consultancy services and data processing. But in areas closer to auditing, such as taxation and insolvency work, a company would have to be unlimited."

● "Tax planning—new opportunities for the professions" is the subject of a one-day seminar to be held on September 1 at the Savoy Hotel, The Strand, London.

Oil refineries at 62% capacity in 1981

BY RICHARD JOHNS

THE 21 oil refineries in Britain operated at only 62 per cent of capacity last year.

The plight of the industry, at a time of declining demand, is emphasised in the Department of Energy's latest digest of statistics.

It shows that 78.33m tonnes of crude and processed oil went through the refineries in 1981, compared to a total rated capacity of 125.4m tonnes. Utilisation was down by 11 per cent of the 86.39m tonnes recorded for 1980, when capacity was slightly larger, at 123.4m tonnes.

Capacity has since been further reduced by the closure of British Petroleum's refioery on the Isle of Grain in the Thames estuary, which had a capacity of 10.4m tonnes. It is expected to be diminished yet more by the remodelling of other plants.

Exports of refined products (excluding natural gas liquids) in 1982, at 12.25m tonnes exceed imports of 9.40m tonnes. Shipments abroad of crude oil, natural gas liquids and feedstocks amounted to 52.20m tonoes, compared to arrival of 36.85m tonnes.

Total deliveries of Petroleum products for British consumption dropped from 71.17m tonnes to 66.23m tonnes, of which 58.70m tonnes or 88 per cent, were to generate energy.

The most marked drop in output was that of fuel oil. Production fell by nearly 20 per cent from 23.7m toones in 1980 to 19.08m tonnes last year.

Production of motor spirit, however, was marginally up, from 16.06m to 17.14m tonnes, although energy used in transport was down by 3.5 per cent. Output of gas/diesel oil, including derv fuel, slipped from 21.80m tonnes to 20.28m tonnes in 1981.

North Sea oil and gas contributed 69 per cent of total fuel production in 1981, and made possible a rise in stocks of 20.1m tonnes of coal equivalent, over and above consumption of 330.1m tonnes.

Total fuel production rose by nearly 4 per cent in the equivalent of 350.4m tonnes of coal, thanks to an 11 per cent increase in oil production. Coal output declined by 2.1 per cent while production of natural gas remained steady.

The UK's energy surplus compared with dependency on imports for 6.1 per cent of requirements in 1980, and one of 48 per cent in 1970.

But, for the first time since 1970, in terms of thermal equivalence, coal consumption was greater than that of petroleum. Coal met 37.4 per cent of energy demand compared with petroleum's 34.9 per cent.

At the same time, coal consumption was down by 2 per cent in 1981, to 118.4m tonnes, while that of petroleum dropped by 65.1m tonnes.

Digest of United Kingdom Energy Statistics 1982; HMSO; £11.50.

SDP to contest Peckham by-election

By John Hunt

THE Social Democratic Party is to fight the by-election in the South London constituency of Peckham caused by the death during the weekend of Mr Harry Lamborn, the sitting Labour MP, it said yesterday.

In the general election the Labour majority was 10,811, a swing of 11.5 per cent towards Labour. The Conservative candidate was second, polling 9,553 votes, while the Liberal came a poor third with 2,607 and lost his deposit.

The recent troubles in the adjoining constituency of Bermondsey—where Mr Bob Mellish, the Labour MP, has been involved in a bitter and long-running dispute with Mr Peter Tatchell and his militant supporters—are expected to benefit the SDP more than the Liberals.

So far no candidate is in line for the SDP nomination. The elaborate selection procedure, with every party member baving a vote, is to be speeded up.

The Southwark SDP area party, which covers Bermondsey, Peckham and Dolwich, is a strong one with about 500 members.

Ms Harriet Harman, legal officer of the National Council for Civil Liberties, has been chosen by the local Labour Party to fight the seat.

There are three by-elections pending, including Peckham. The first one will be Gower—where an SDP candidate is standing—on September 16. The other one is the Birmingham Northfield constituency, which is being contested by the Liberals.

● Mr Frank Hooley, Labour MP for Sheffield Heeley, who bas been rejected as a candidate by his constituency party in the re-selection process, has been recommended for short-listing to fight Aldridge-Brownhills, West Midlands, at the next general election, it was announced yesterday. The selection process there is due in September.

● Dr David Owen last night attacked Mr Norman Tebbit, Employment Secretary, over reports that last month's unemployment figures were undercounted by 10,000.

A mistake occurred because of the under-recording of the number of graduate unemployed. The Employment Department said last night that the figure ran into "some thousands" hut would be rectified when the August totals are announced today.

Dr Owen accused Mr Tebbit of being the least caring, least competent Employment Secretary in history. The embarrassing admission that incorrect figures were issued could not be brushed aside. Parliament had a right to a full explanation of why the figures were wrong.

Large stocks keep house prices steady

BY WILLIAM COCHRANE

MID-SUMMER hopes of a more buoyant period for house prices in the next six months have drawn a cautious response from the Royal Institution of Chartered Surveyors. Its house price survey for the quarter ending in July indicates it is still a buyers' market for private homes.

The large stock of houses for sale is belping to keep prices steady, says the institution. Nearly three-quarters of estate agents consulted in the latest survey report steady prices. About 23 per cent report small price increases, slightly fewer than the June survey.

First-time buyers remain the most active in the market. Top-priced houses bave been the slowest to go in most areas and the RICS says realistic pricing is necessary to achieve a sale.

Mr J. R. Thomas, the institution's spokesman on house prices, said the latest report showed little change in house prices, in the number of sales per agent, or in the number of houses on the market.

He acknowledged that the latest survey did not reflect the effects of the reduction in the mortgage interest rate from 13½ per cent to 12 per cent. Mr Thomas said: "The drop in interest rates and good mortgage availability are not by themselves likely to boost prices to any significant extent.

"If we were to return to a period where wages and salaries were increasing faster than the national level of inflation," he said, "then house prices could rise dramatically. But with 3m unemployed this is not likely."

Highest price rises are shown for older terraced houses favoured by first-time buyers. The institution says that in time, if this trend is maintained, it will filter through to the middle price range.

Lear Fan project 'to remain in Ulster'

BY OUR BELFAST CORRESPONDENT

A REFINANCING of Lear Fan, the Government-backed company planning to manufacture executive aircraft near Belfast, will not mean the project being moved from Northern Ireland, Mr Darwin Templeton, the chairman, said yesterday.

Mr Templeton said the board of Lear Fan — a subsidiary of Learavia Corporation of the U.S. — was determined that the advanced, carbon-fibre aircraft should be built in Northern Ireland.

However, Lear Fan would make no comment on a report that the Beech Aircraft Corporation, a leading U.S. light aircraft manufacturer, was discussing a bid fot the company.

The Government has committed £34m to the venture but £50m is needed in private development capital to take the aircraft into production. The company employs 560 in Northern Ireland and this could evcotually reach 3,800.

Talks with several interested parties, among them an unidentified group of Saudi Arabian investors, have been going on for some months.

Mr Templeton said be was unable to tell when a decision on the refinancing options might be made. However, the company's cautious response indicates that negotiations with at least one potential investor are at a delicate stage.

The requirement for private capital is part of an agreement signed in February 1980 with the Northern Ireland Department of Commerce, which has a small minority holding.

The aircraft is claimed to outperform existiog competitors slgoificantly in terms of speed and fuel efficiency. More than 270 advance orders have been placed and testing of prototypes is under way at Reno, Nevada. The aircraft will sell at about $2m (£1.15m).

Airlines halve cost of winter flights to Spain

BY LYNTON McLAIN

BRITISH AIRWAYS and Iberia, the Spanish airline, have cut the cost of flights to Spain this winter by about half.

The cuts, giving a £71 return economy air fare on Iberia from London to Barcelona and a range of other cheap fares, were announced separately by the two airlines yesterday.

The object is to boost the flagging interest in winter holidays over the coming season. Two of Britain's major travel and package holiday groups Thomson Holidays and Horizon, have forecast substantial declines in this market.

Thomson has already had to re-launch its winter holiday programme in the face of an expected 30 per cent decline in bookings compared with last season. Horizon puts the decline at 25 per cent.

Iberia intends to offer only a limited number of seats on its aircraft at the cheaper fares this winter. The exact number available at "Moneysaver" fares will vary with the date, day and time of departure.

Passengers on the cheap tickets will be able to stay for between one and four weeks. The outward and return journeys will have to be made on the same day of the week and will be subject to "Moneysaver" seats being available.

The cheap fare on Iberia will be guaranteed, but passengers have to make their reservations, collect their tickets and pay the fare at the same time.

The cheaper fares apply to flights between London Heathrow and Madrid as well as the main holiday resorts in Spain and the Canary Islands.

Thatcher goes private for veins operation

By John Hunt

PRIME MINISTER Margaret Thatcher was "in fine condition" in the private Fitzroy-Nuffield Clinic, London, last night following a minor operation for varicose veins.

Mrs Thatcher was expected to leave the BUPA clinic later in the evening after the 1½ hour operation. She planned the operation before a short holiday in Switzerland last week.

The Prime Minister bad been suffering some discomfort and also wanted the operation carried out for cosmetic reasons.

Mrs Thatcher's choice of a private health care system is hy Mr Albert Spanswick, general secretary of the Confederation of Health Service Employees (Cohse), which is in dispute with the Government over health service pay.

"Mrs Thatcher's use of the private health care ssytem is an insult to the NHS and a clear indication of her utter contempt for the principle that health care should be free to all in need regardless of their ability to pay," be said.

"It is bardly surprising that the Prime Minister of a government which is doing its best to undermine the National Health Service and promote the interests of private medicine should choose the private care option."

Mr Spanswick said the Prime Minister knew "only too well" that the NHS was being starved of resources and of the devastating effect successive Government cutbacks had had on services to patients.

"Mrs Thatcber's 'I'm all right, Jack' attitude over ber own bealth treatment is as scandalous as it is insensitive at a time when thousands of potential NHS patients on the waiting list are suffering inconvenience and bardship because of the Government's intransigence over pay."

Call for inquiry into tax haven islands

FINANCIAL TIMES REPORTER

A LABOUR MP, who tried unsuccessfully last year to end the tax-haven status of the Channel Islands and the Isle of Man, has asked the Government to set up an inquiry into relations between the UK and the islands, in the wake of the collapse in June of the Isle of Man's Savings and Investment Bank.

Mr George Foulkes, MP for South Ayrshire, said yesterday that he was also urging the Government to offer financial help to small investors who bad suffered when the bank collapsed.

The collapse was just the sort of event he had warned of last year, Mr Foulkes said, when he introduced a Ten Minute Rule Bill to the Commons in a hid to bring the tax situation in the islaods into line with that in the rest of the UK.

In a letter to Sir Geoffrey Howe, the Chancellor, Mr Foulkes said that, in the case of the Manx bank, UK citizens and institutions had suffered.

He urged the Chancellor to initiate discussions with the Isle of Man Government and to offer UK assistance to sort out the "debacle" which followed the collapse.

In a separate letter to Mr William Whitelaw, the Home Secretary, Mr Foulkes said the collapse of the bank, with other happenings over the past few years, strengthened his case for a systematic examination of relations between the UK and the islands.

Arrangements were being made yesterday for a meeting of creditors of the Savings and Investment Bank at Douglas tomorrow.

Riverside redevelopment scheme given go-ahead

BY WILLIAM COCHRANE

A REDEVELOPMENT scheme for St Mary Overie's Dock site, on the south bank of the Thames between London Bridge and the railway bridge serving Cannon Street station, was given the go-ahead yesterday by Mr Michael Heseltine, Environment Secretary, a year after a public inquiry into the proposed development.

A spokesmao for European Ferries, developers of the 1.2 acre site, said the company was "delighted" it had been granted planning permission, especially since it had been forced to withdraw from plans to redevelop Vauxhall Cross, also on the south bank, following another inquiry two years ago.

European Ferries put up two schemes. The first, incorporating a total space of 124,703 sq ft, was the one Mr Heseltine approved, and the company stresses that this was the scheme it preferred. The plan involves 90,696 sq ft of offices, most of which have Grindlays Bank as a likely tenant, with the rest divided between residential accommodation, studio workshops and other uses.

The scheme will mean the demolition of St Mary Overy's Wharf, which is a grade II listed building, and four other wharves. The dock will also he altered, hut two adjacent wharves will bo retained and refurbished.

Mr Heseltine is said to have agreed with Mr Maurice Astrinsky, the inquiry inspector, that early regeneration of the site is of the utmost importance to provide employment and halt decay and dereliction.

The proposal was supported by the London borough of Southwark, which included a number of conditions in a draft planning permission.

But permission bad been refused on the direction of the Greater London Council.

Water costs to business keep pace with inflation

FINANCIAL TIMES REPORTER

WATER charges to business users in the UK held steady in real terms—with a 9.33 per cent increase in step with the inflation rate—in the year to July, 1982, according to a survey of world water costs, published yesterday.

Water consumers in England and Wales still paid substantially more than those in Scotland and Northern Ireland, said National Utility Services (NUS), which did the survey.

However, NUS said Northern Irish consumers, who now pay 32 per cent less than those in England and Wales, should prepare for increases of about 14 per cent before the end of 1982.

The highest price increase for water, an average of 28.96 per cent, was in the Republic of Ireland and "far in excess of the Irish retail price index increase of 21 per cent," said NUS.

Australian water supplies were the most expensive in the world—subject to a 12.82 per cent price increase in the year under review. The reason, according to NUS, was that Australia continued to use rateable value as the basis for charges, the only country in the survey to do so.

Italy's prices remained the lowest in the survey by a substantial margin and prices there increased by only 10.19.

Second EEC anti-poverty action programme urged

BY LISA WOOD

THE NEED for a further anti-poverty programme in the EEC is to be put to the Council of Ministers by Mr Ivor Richard, EEC Commissioner for Employment and Social Affairs.

Mr Richard, writing in Poverty, the journal of the Child Poverty Action Group, said there could be resistance to such a proposal, which will be made in the next few months.

"Member states of the community," he said "are not as enthusiastic about baving their problems over poverty exposed to the world at large as many in the poverty lobby would wish them.

"It is therefore to be expected that any proposals made by the Commission to inaugurate a second poverty action programme will meet with considerable resistance in the council of ministers."

Mr Richard said not only were there many poor within the community but poverty was "long-established, persistent and increasing."

During the past four years unemployment had risen from some 6m in 1978 to almost 11m in 1982.

The first anti-poverty programme, launched in 1973, was a "modest operation," said Mr Richard. But it produced a considerable body of information about poverty in Europe and helped focus interest on the problems of the poor. The programme cost the commission about £12m and most projects were in community development.

A golden opportunity to cash in on fears of fraud in the bullion business

Lynton McLain on a David and Goliath battle for the profits of gold fraud detection

GOLD FRAUD, or the fear of it, is back in the news and at least one British company expects to benefit from it in an entirely legitimate way.

The company, CNS Electronics, of North London, has for more than a decade been making and selling equipment suitable for detecting gold fraud. It is ideal for spotting the classic gold fraud, the heavy lead or tungsten "gold bar" coated with only a layer of real gold.

This was the type of fraud at the heart of the notorious Hungarian Circle case of fraud and forgery in the 1970s.

On the way to cashing in on fears of fraud, however, the small, private company with 25 staff is beading for a David-and-Goliath-type clash with a newcomer to the gold fraud detection business, the giant Mitsubishi Electric company of Japan.

CNS Electronics should have little to fear, judging by its past record. Its equipment is already well-estabilshed in Japan, but not, so far, for gold fraud detection.

Japan is one of the most successful export markets for the company and it has sold 162 of its devices to Japanese companies and research institutes, mainly for industrial research applications.

Japan National Railways has standardised on the British-designed and manufactured equipment for test work. Other Japanese customers include the Japao Atomic Research Institute; the Reactor Nuclear Fuel Development Enterprise and the Central Electric Power Research Institute. One unit has also been sold to each of Japan's 23 nuclear power stations.

Genuine or fake?

But Mitsubishi Electric has taken the Japanese domestic market for gold fraud detectors by storm. It entered the market with new equipment in April and by the end of July it had sold 200 of its detectors to Japanese banks and securities companies for use in determining whether a bar of gold is genuine or fake.

This near-instant spurt of sales, apparently unprecented anywhere else in the world, came after a series of changes which radically altered the place of gold in Japaoese society.

Recent changes in Japanese banking laws, a new system of checking the tax liabilities of people with investmnt income and, above all, the memory of the Hungarian Circle case of gold fraud in Europe, have concentrated minds in the Japanese bullion and bank community on the possibility that all that glitters may not be solid gold.

Individuals in Japan are apparently buying gold as an asset that the Japanese taxman need know nothing about.

This stimulus to private hoarding of gold bars was boosted by a change in the Japanese banking laws this year which allowed the banks to sell gold over the counter.

Mitsubishi Electric, with its new gold detection equipment, was clearly in a good position to spot and exploit these changes which made the Japanese, almost overnight, into some of the greatest private hoarders of gold bars in the world.

Last year the Japanese bought 117 tons of gold for hoarding. This represents almost 10 per cent of the total world production of gold last year, a significant amount in the world of gold.

It was this sudden indulgence in gold that spurred the banks and securities companies to become vary wary about the massive amounts of gold they were suddenly handling.

Hungarian Circle

The banks remembered the Hungarian Circle of international fraudsters which netted £300m over 15 years before they were tried at the Old Bailey, London, in December 1977 and jailed.

The losses to international banks were so large that "the fraud, if it had not been checked, would have undermined the banking system of virtually the whole civilised world," Mr Kenneth Richardson, the Crown prosecuting counsel, said at the trial of the Hungarian leaders of the circle.

It is ironic for CNS Electronics that the Japanese are now scooping-out their own domestic market for gold fraud detectors. CNS Electronics had already sold its own detection equipment to Mitsubishi Heavy Industries, a sister company of Mitsubishi Electric, for industrial use.

The "portable ultrasonic non-destructive digital indicating tester"—the gold fraud detector—was designed in the first place by CNS Electronics for testing concrete.

Commander G. M. B. Selous, ex-Royal Navy chairman of the company, found other applications, among them the detection of gold fraud.

He struck gold four years ago after the price of precious metals went sky high and bullion dealers found themselves handling unbranded metal bars from non-traditional sources.

Here was a classic risk that supposed gold bars could contain mixtures of lead and tungsten, which together closely match gold in density.

Memories of the Hungarian Circle case were still alive in 1978 when Mocatta and Goldsmid, London bullion dealers, placed the first order for the ultrasonic non-destructive tester from CNS Electronics.

Since then the company has achieved a £500,000 turnover, with much of the success attributed to the sale of 1,500 Pundit testers, the bulk for export.

Ultrasonic detectors

Commander Selous said he "nearly had a cardiac" when he read in the Financial Times last month of the success Mitsubishi had had with its own ultrasonic gold fraud detectors, four years after the first success for British equipment in the fraud field.

He was even more upset when he learned that the Japanese company was selling its gold fraund detector for Y1.22m (£2,751). The CNS Electronics Pundit tester costs £1,088 in Japan. "We could double our price and still undercut the Japanese on their own territory by almost £600," he said.

He is proud of his company's export record. He gives the case of his export successes to U.S. Steel, where four Pundit unit are saving $2m a month on the testing of ceramic tiles. This follows the success of CNS Electronics in supplying Pundit to test every one of the 65,000 tiles on the Rockwell Space Shuttle, Columbia.

It took CNS two years after its exports to U.S. Steel to persuade British Steel to buy the equipment for testing tiles in the UK steel industry. BSC now makes its tile suppliers test all their products with a Pundit before delivering the materials.

Mr Gerald Selous, CNS Electronics chairman

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One-day stoppage likely to back health workers

BY DAVID GOODHART, LABOUR STAFF

A ONE-DAY strike throughout Scottish industry in support of the health workers dispute is the most likely outcome of a mass meeting of Scottish shop stewards on September 11.

The meeting has been called by the general purposes committe of the Scottish TUC. Mr Ron Curran, a member of the committee and Scottish national officer for the National Union of Public Employees, said: "A one-day strike looks like a possibility."

A call for a one-day strike in the rest of Britain will also go before the TUC Health Services Committee on Thursday. The committee meets after the result of the Royal College of Nursing's ballot on the 7.5 per cent pay offer to nurses is made public.

It is believed that only about 35 per cent of the college's members have voted in the ballot which will disappoint its leaders. A Nupe spokesman said yesterday that a survey of the major London teaching hospitals showed that the vast majority of the college's members had rejected the offer.

But Nupe's claim to be stepping up its action round the country was refuted yesterday by Mr Kenneth Clarke, Health Minister.

He said that in some cities where the action was strongly supported lasting damage was being done to the health service and wating lists were rising to levels which will take years to reduce.

A mass meeting of Cleveland ambulancemen today is expected to support a return to work following the death of a young mother on her way to hospital in a police van.

The Cleveland ambulancemen have been on all-out strike for the past four days. A union spokesman said that the drivers had wanted to provide emergency cover but had been sent home by local management.

Civil service unions seek legal advice on disciplinary moves

BY OUR LABOUR STAFF

CIVIL SERVICE unions are seeking legal advice over the Government's decision to take disciplinary action against staff who went on strike in support of the health service workers.

Apart from the action taken against the Fleet Street electricians, moves against civil servants are among the few actions taken against employees for sympathy action in support of the National Health Service workers.

The Council of Civil Service Unions is seeking advice in particular about departmental management's action in making a connection between what the departments call "political activities" and sympathetic industrial action.

The Government originally told the unions that it would be taking steps against all staff "who are believed to have committed breaches of the rules of conduct, including overtly political or abusive action."

The council is also asking its nine affiliated unions to provide information of any further "unreasonable" action by departmental managements, such as the refusal of requests for annual leave from staff who took supportive action.

Industrial civil servants accept deal which will boost overall pay bill 6%

BY PHILIP BASSETT, LABOUR CORRESPONDENT

LEADERS of 140,000 industrial civil servants yesterday formally accepted a pay, hours and leave deal which will provide for an overall paybill increase of 6 per cent.

The deal is one of the final public sector agreements in the wage round which has just ended. Still outstanding are the British Rail increase, currently being considered by an arbitration tribunal, and pay rises for National Health Service workers.

Though the 6 per cent industrials' deal is beyond the 4 per cent figure set in the cash limits for public service pay increases, it will be contained within them by manpower reductions and other savings.

The Government is likely to draw comfort from the fact that the size of the deal—the same as the offer held out to NHS ancillary workers—will be used to reinforce ministerial arguments for a similar acceptance by the health workers.

The agreement will give rises in the basic rates of adult non-craft workers of £4.40 per week, or an average of about 5.8 per cent, backdated to July 1, the group's settlement date.

This will take those on the bottom of the group's 22 handed pay rates £69.65 to £74.05, and those on the top or Band 22 rate £94.65 to £99.05. The rates for other grades have been raised accordingly.

In addition, the agreement provides for a one-hourly reduction in the industrials' 40-hour working week. This reduction will be backdated to January.

The deal is broadly in line with the 5.9 per cent agreement for white-collar civil servants, and compares with the 6-8.3 per cent on basic rates secured by the industrials' last year.

Mersey dockers to vote on deal

By Our Labour Staff

DOCKERS in the Port of Liverpool will today vote on a two-year pay and productivity deal at a mass meeting in the city boxing stadium.

The deal is for a £9 a week increase this year accompanied by changes in working practices, £144 back pay to May 1 when the claim was lodged and further £9 increase next year with no strings attached.

The changes in working practices involve reducing the size of gangs in certain areas and stretching gangs in other sections.

The port shop stewards will meet before the mass meeting this morning

Mr James Fitzpatrick, chairman of the Liverpool Port Employers' Association, said yesterday that any industrial action would have nightmarish results on the port.

Mr Fitzpatrick, who is also managing director of the loss-making Mersey Docks and Harbour Company, said that the company, which lost £7.5m last year, lost more than £1m in July.

He said: "When a company is losing £60 a week for every man and woman on the payroll it can afford nothing less than total realism."

Officials of the Transport and General Workers' Union fear further job losses with the new working practices. The number of dockers in Liverpool has fallen from 4,000 in 1980 to 2,500 today.

Basic pay is £89.50 a week, but Mr Fitzpatrick claimed yesterday that with overtime and bonuses many dockers earn £160 a week.

Murray and Sapper clash over settlement

BY JOHN LLOYD, LABOUR EDITOR

THE LAST rumblings of discontent over the settlement of the train drivers' strike last month by the TUC's Finance and General Purposes Committee has produced an extraordinary exchange between the TUC general secretary, Mr Len Murray, and its chairman, Mr Alan Sapper.

Mr Sapper has in effect had to apologise to Mr Murray for a statement he published in the monthly journal of the TV Technicians union ACTT—of which he is general secretary.

A letter in the latest issue of the ACCT journal from ACTT members took Mr Sapper to task for being a party to the committee's decision to tell Aslef to call off the strike.

However, in a statement appended to the letter, Mr Sapper wrote that he personally regretted the decision, and that the committee was split in a vote on the issue. As chairman, Mr Sapper could not vote—but had he been able to, he said, he would have voted with the minority against the decision.

In a subsequent interview with Mr Sapper, Mr Murray drew attention to his statement in the jojurnal, and emphasised that no vote was taken, and that the committee's decision was unanimous.

Mr Sapper subsequently wrote to Mr Murray, saying that he had telephoned the statement to the journal from outside London. However, the statement had been a "liberal interpretation of what the press had been saying at the time," and that he "much regretted the misinterpretation."

Mr Sapper wrote in the letter that he would take the matter up with the editor of the ACTT journal.

A meeting of the committee yesterday—with Mr Sapper in the chair — agreed that Mr Murray should write to the journal, stating once more that the decision was unanimous.

● Opposition to the use of the TUC fighting fund by unions to pay legal fees resulting from cases arising from the Government's employment legislation is unlikely to surface in motions to the TUC Congress in two weeks' time.

TUC courses commended

BY JOHN LLOYD, LABOUR EDITOR

TUC education courses have been warmly commended by government inspectors for their high standards — in a report published two days after Mr Norman Tebbit, the Employment Secretary, threatened to cut off state funds for such courses.

The TUC General Council report for 1982 says HM inspectors responsible for trade union education visited a number of colleges at which trade union courses were offered, and wrote highly complimentary reports.

The reports says the course objectives were clearly defined: learning materials were well designed; independent study was encouraged; skilled use was made of teaching aids; accommodation was of a good standard; the students were enthusiastic and the lecturers well motivated and had good academic qualifications.

However, Mr Tebbit made it clear in an ITV interview on Sunday, that he was considering ending the £1.6m a year of public funds for TUC education courses.

The Department of Employment said last night that a decision on the funds was likely before the end of the year.

Water staff accept 7.5% rise

By Our Labour Staff

WHITE-COLLAR staff in the water industry have accepted a pay increase of 7.5 per cent from the National Water Council.

The package for the 30,000 staff includes an extra day's holiday for staff with under 24 days holiday a year, and is backdated to July 1.

A delegate conference of the National and Local Government Officers Association accepted the deal yesterday. The union's original claim was for a cost-of-living rise.

The industry's 32,000 manual workers accepted a pay increase of 9.1 per cent earlier this year.

The delegate conference also passed a resolution deploring the Government's proposals to disband the National Water Council

Setters strike at brickyard

THIRTY KEY workers went on strike at the London Brick Company's yard at King's Dyke, near Whittlesey, Cambridgeshire, yesterday.

The men, employed as setters, walked out after refusing to implement new working practices to increase output

Crisps stoppage

PRODUCTION of a million packets of potato crisps was lost yesterday by a 24-hour strike by workers at Golden Wonder's Corby, Northants, factory. Over 400 workers stayed away in protest at the sacking of a colleague.

Fitters on strike

NEARLY 100 fitters at the Blackwood Hodge earthmoving equipment depot in Northampton were on strike yesterday over a pay dispute. They want management to increase a £7 a week pay offer.

APPOINTMENTS

New chairman for Bett

BETT BROS. is making the following changes on September 1: Mr Iain C. R. Bett, joint managing director, will become chairman following the retirement of the present chairman, Mr Albert A. Bett; Mr Albert Bett will remain a director; Mr Stewart C. Bett, joint managing director, also retires and is succeeded by director Mr Ronald Mitchell: Mr Stewart Bett will remain on the board.

*

Mr D. R. Allan, a manager, international division, of the BANK OF SCOTLAND (resident in London), has been appointed a manager, London chief office.

*

THE SUMITOMO MARINE & FIRE CO (Europe) has made Mr T. Munakata and Mr Y. Tamai directors.

*

Lord Balfour of Burleigh, deputy governor of the Bank of Scotland Mr Andrew Barr, NUR divisional officer for East and North of Scotland; and Mr Kenneth J. Peters, director, Aberdeen Journals; have been appointed to BRITISH RAIL SCOTLAND'S regional board.

*

Mr J. J. Sellar has been appointed managing director of EKCO INSTRUMENTS, a subsidiary of Cambridge Electronic Industries. He succeeds Mr W. E. Thompson who retires and becomes a non-executive director.

*

Mr Rod Small has been appointed managing director of FREUDENBERG SIMRIT, a UK subsidiary of the Carl Freudenberg group in West Germany.

Mr B. G. Devereese has been appointed a director of PETER PEPPER (UNDERWRITING AGENCIES).

*

THE LUMMUS COMPANY, part of Combustion Engineering Inc, has appointed Mr Peter T. Swan as financial director. He will be based in Northampton. He succeeds Mr Dale E. Moon, who has become director of finance and administration of C-E Vetco, another part of Combustion Engineering, based in Houston, Texas.

*

Mr John Newton has been appointed marketing and business development director of FAIRCLOUGH BUILDING, a subsidiary of Fairclough Construction Group.

*

Mr Robert Tainsh has been appointed chairman of CAMBRIDGE PETROLEUM ROYALTIES following the retirement of Sir Patrick Dean.

*

● Mr Tadashi Osugi, currently managing director of Bridgestone Tyres in Britain, has been appointed president of BRIDGESTONE (CANADA) INC. Mr Osugi has been with Bridgestone since 1962 and has successively been manager of the African and Australasian/Oceania markets before coming to Birmingham in 1978.

*

● SEARS ROEBUCK AND CO. has appointed Mr Philip J. Purcell as president and chief operating officer of the company's Dean Witter Financial Services Group Mr Robert M. Gardiner was appointed chairman and chief executive officer of the group, replacing Mr Andrew J. Mellon, Junior.

*

● Mr Edward L. Smith has been elected president of USS ENGINEERS AND CONSULTANTS INC, a wholly-owned subsidiary of U.S. Steel. He succeeds Mr Frederick A. Dudderar, who is retiring after more than 42 years of service with U.S. Steel.

*

● Dr Marc Moret, managing director of Sandoz AG, Basle, is to succeed Dr Alfred Hartmann, vice-chairman of F. Hoffmann-La Roche, Basle, as president of the SWISS SOCIETY OF CHEMICAL INDUSTRIES at the end of the year.

*

● Mr J. Roy Nicholas, chairman and chief executive officer of the operating companies of ROYAL INSURANCE, U.S., is retiring on October 31. He will be succeeded by Mr George W. Anshro who will also retain his present titles of president and chief operating officer. Mr Nicholas will also retire as chairman of Royal Group Inc, the holding company of Royal's U.S. operating companies, and will be succeeded by Mr Edward L. Palmer, chairman of the executive committee of Citicorp.

*

Sir Richard Worsley has been appointed chief executive of the electro-optical division of the PILKINGTON GROUP. He succeeds Mr Gordon M. Morrison who retires from the group at the end of August. Sir Richard Worsley is also chairman of the boards of Barr and Stroud and Pilkington P.E.

*

Mr R. G. Bown has been appointed works director of GEO A. MOORE & CO. Mr Bown joined the company in 1979 as production planning manager.

CONTRACTS

£3.7m orders for Drake & Scull

DRAKE & SCULL has won regional contracts worth £3.7m. The Mercia region is providing £1.5m of mechanical services for the new education and training centre at Milton Keynes for Burroughs Machines.

In the North East region six projects worth £300,000 in the Gateshead area, including upgrading of the mechanical and electrical engineering services, are being undertaken for the Gosforth traction and maintenance depot at Tyne & Wear Passenger Transport Executive.

The South Thames region has been awarded a £1.9m contract in South London for the modernisation of 403 dwellings for the London Borough of Southwark where Drake & Scull is the principal contractor, and the mechanical services for a new Sainsbury's supermarket development at Crystal Palace.

*

A contract worth £1.3m has been awarded by South West Thames Regional Health Authority to BRITISH MEDICAL DATA SYSTEMS for computerisation of patient administration systems at two district health authorities, Wandsworth and West Surrey/North East Hants. The contract entails installation of the British Medical ACTION software system together with four DEC VAX 11/750 and 11/780 general purposes minicomputers at the Districts and the regional computer centre in Tooting, South London.

*

JOSEPH NADIN CONTRACTING has been awarded work worth over £100,000 on the Shell UK natural gas liquefication plant at Mossmorran, Fife. The contract, awarded by Matthew Hall Engineering, acting as a sub-contractor to R. M. Parsons, involves the thermal insulation of vessels and equipment using mineral wool and foam glass insulation and steel cladding. Work is scheduled for completion by the end of this year.

*

DERBY BUILDER, WM. WALKERDINE, is to build a £1m block of flats for elderly people at Newcastle under Lyme, north Staffordshire, for the Beth Johnson Housing Association.

*

FLATS AND offices for London and Paris Properties will result from the refurbishment of 41 Berkeley Square/1 Farm Street in London's Mayfair, following a £1.6m refurbishment project awarded to JOHN LELLIOTT.

TECHNOLOGY

EDITED BY ALAN CANE

Japanese television industry presses ahead with high definition system

Catalyst for bigger screens and better quality

By Elaine Williams in London and Peter Mc Gill in Tokyo

JAPAN'S television industry is pressing ahead urgently with a high definition television system which it bopes will be adopted worldwide.

Sony, Matsushita and Ikegami have already developed some of the equipment; Toshiba and the Japan Victor Company (JVC) are likely to announce products before the end of the year.

This new system will provide better picture quality than that available with today's technology and will allow the use of much larger television screens. A sales boost for the new TV sets should follow.

In the Japanese system, each television picture is made up of 1,125 lines compared with 625 and 525 used in existing world broadcasting systems. This means that each television channel must have a frequency bandwidth of at least 30 MHz to carry the signal compared with about 6 MHz for conventional television.

For high definition to be a success, however, it requires several other technologies to become well-established—direct broadcast television by satellite and cable systems linking homes to information services such as Prestel, as well as conventional television programmes. These have the extra frequency band width necessary to transmit high definition TV.

Japan's public broadcasting corporation, Nippon Hoso Kyokai (NHK) has developed the necessary bardware from transmission equipment TV cameras, to televisinn sets, in co-operation with the Japanese equipment manufacturers.

It began its research 12 years ago: now the pace of development has increased because of the possibilities opening up with satellites and optical fibre cables.

NHK has been a catalyst to private industry because of its own needs. It has to provide televiaion coverage using conventional terrestrial transmitters acroas Japan's mountainous terrain and to some remote Islands. This is both difficult and expensive.

It wants to use satellites fo make reception easier and exploit this technology to introduce high definition television.

Mr Toshio Mori, technical adviser to the Electronic Industries Association of Japan, says: "High Definition television is important for the future of the Japanese electronics industry."

Individual

Now, high definition television is not new. France was one of the first countries to introduce—and eventually drop—a high definition system where each picture frame was made up of 918 individual lines instead of 625 lines used in Europe and the Far East and 525 lines in the U.S.

France found that the system was expensive and occupied more than twice the bandwidth needed for other television systems. In the crowded frequency spectrum, this price was just too much to pay.

The BBC balieves that there is little pnint in introducing a high definition systems to the existing terrestrial networks. It argues that it would be too costly to the consumer. present television screens are too small to make the improved definition apparent and would take up too much precious frequency bandwidth.

Television set manufacturers are also aware of the need to develop a large size television screen at least one metre wide. To be acceptable to the consumer the TV will have to be a flat screen, thin enough to be hung on the wall like a picture. The receiving electronics would be in a small cabinet connecting to it.

NHK claima to have developed a flat panel display but admits to having some technical prnblems associated with it. This bas been the case for most researchers in this field who bave found difficulty in producing screens which can produce a bigh quality picture.

The Indepeodent Broadcasting Authority in the UK says that the major stumbling block to high definition television is the lack of progress on a world standard.

Today there are three main standards. NTSC in the U.S., PAL in Europe and Japan, and SECAM in France, and the Eastern Bloc.

In fact, the task of trying to establish a world standard of high definition television is already under way to determine the frequency waveband, and the number of lines to make up each frame.

These detiherations are taking place through a body called the International Radio Consultative Committee. Most countries want a world standard but wish it to be their system rather than anyone else's.

It is in Japanese companies' minds to try and establisb its system on the world simply by introducing sucb systems commercially before anyone else.

Next year CBS in the U.S. plans trials of the Japanese high definition TV and has said tentatively that it would fully launch it in 1987. Analysts there say that about half American homes could be equipped with HDTV by the end of the century. The U.S. has the dubious honour of the lowest definition television systems in the world. The quality is ao poor that people joke that NTSC stands for "Never the Same Colour."

Another obstacle to high definition television is that the standards for satellite television within most of Europe and Japan have already been set because systems will be launched in about three or four years' time.

Soon Britain will decide if it is to adopt a new standard, using the existing PAL standard or modify it slightly to improve picture quality and provide stereo sound as suggested by the BBC.

Survey shows foreign exchange dealers as chief computerisation target

Intensive work in some areas—neglect in others

FOREIGN EXCHANGE dealing ia the chief target for computerisation among London's wholesale bankers, followed closely by the attachment to the SWIFT network.

This is the conclusion of a survey about 100 London banks and security housea carried out by HR and H Marketing Research on behalf of BIS Banking Systems, a leading supplier of banking software and creator of the award winning MIDAS package.

The survey shows that although 85 per cent of the banks questioned had already computerised some part of their foreign exchange operation, 30 per cent believed that further computerisation would be necessary.

Some 22 per cent of the sampte were interested in computerisation with a view to joining the SWIFT world-wide financial messaging system while 20 per cent were interested in the automation of commercial loaos

Some 21 per cent of the sample aaid they would be keen to see computerised dealer aids for foreign exchange.

The overall impressloo from the survey is of a grouo of companies which have computerised intensively in some areas—95 per cent, for example, used computer systems for general ledger—while other areas are almost completely neglected.

Only 18 per cent of the banks, for example, used a general purpose report writer and only 50 per cent used a computer system to aid arbitrage dealings.

The survey was conducted among a mixed group of senior hanking executives including branch managers, operations managers, chief accountants and data processing managers.

The sample of banks included those with 35 or less staff to those with over 100; the services they saw as increaaing in importance over the next five years were international cash management, Eurobond fioancing, portfolio management and worldwide telecommunications.

Some 60 per cent of the sample used IBM computers—the report notes: "Tbe only other manufacturer even remotely to challenge the dominance of IBM was NCR."

Almost two-thirds of the sample said they had used and would continue to use the services of a software house for programmiog their computers.

What they wanted to see in a software house was first, financial stability, next reputation and third, references from present customers.

The survey asked the banks their views on the future of Chapa, the Clearing Houses Automated Payments System

Thirty-four per cent thought it an important development of use to the wholesale bankers, 13 per cent thought it would grow inevitably and only 4 per cent thought it would be of little use to them.

ALAN CANE

BANKING AREAS RIPE FOR FURTHER COMPUTERISATION
(per centage response)

Foreign Exchange Dealing	30	Worldwide Foreign Currency Position	12
Swift System	22	Arbitrage	12
Dealers Aids—Foreign Exchange	22	General Ledger	12
Commercial Loans Admin.	21	Syndicated Loans	12
Word Processing	19	Portfolio Management	11
Money Market Dealing	18	Retail Banking	10
Nostro Reconciliations	18	Statutory Returns	10
Bills and Letters of Credit	16	Gen. Purpose Report Writer	10
Dealers Aids—Eurobonds	14	Small Telex System	8
Larger Telex System	14	Bond Trading	4
Worldwide Limits	14	Client Access	4
Budgeting Model (forecasts)	12	Mortgage Accounting	2
Eurobond	12	None of these	12
Head Office Telecommunication	12	Don't know	19

BANKING AREAS ALREADY COMPUTERISED TO ANY EXTENT
(percentage response)

General Ledger	95	Eurobond	34
Foreign Exchange Dealing	85	Bills and Letters of Credit	33
Money Market Dealing	82	Word Processing	32
Statutory Returns	77	Head Office Telecoms.	30
Commercial Loans Admin.	66	Dealers Aids—Eurobonds	28
Syndicated Loans	64	Bond Trading	27
Retail Banking	62	Swift System	25
Dealers Aids—Foreign Exchange	57	Larger Telex System	22
Arbitrage	50	Budgeting Model	19
Worldwide Limits	40	Gen. Purpose Report Writer	18
Worldwide Foreign Currency Position	39	Mortgage Accounting	17
Nostro Reconciliations	36	Portfolio Management	16
		Client Access	14
		Small Telex System	7
		None of these	2

Vaccines

Japanese development

JAPANESE scientists claim to have made a breakthrough in the mass production of Type B hepatitis vaccine using genetic engineering techniques.

According to Professor Kenichi Matsubara of Osaka University's faculty of medicine, recombinant DNA technology was used with a virus gene to produce the vaccine from a yeast normally used for making bread and beer.

Recombinant DNA technology makes use of the fact that in some living cell bacteria such as yeast there is a small quantity of DNA material called plasmids.

Plasmids are akin to cell parasites but have the ability to be modified to carry a foreign gene into a cell where it can be reproduced. In this way vaccines which are normally difficult to make can be manufactured by living cells such as yeast.

Much of the problems of researchers in this field have revolved around moving from laboratory production to mass manufacture.

Osaka University which is carrying out its work with Hiroshima University and the Chemical - Seropherapeutie Research Institute in Kumamoto City, Southern Japan, say that the amount of vaccine produced hy the process is potentially large—equivalent to 500,000 units per yeast.

However, there is still a long way to go before Hepatitis B Vaccine is prodneed in large quantities in this way.

Cameras

Ultra-small prototype

Sony Corporation said in Tokyo last week that it had developed the prototype of a video tape recorder incorporating an ultra small camera.

The company is now studying the possibility of launching the product commercially, a company spokesman said. Likely cost is expected to be in the region of U.S.$1000 per unit.

The new machine is said to weigh 2.3 kilograms and give a shooting time of three hours.

Topcon theodolite

A TOP of the range one second theodolite from Japanese manufacturers, Topcon, is now available for the first time in Britain from Hall and Watts, 266 Hatfield Road, St Albans (0727 35686).

The TL 1E has automatic vertical indexing and a two-speed horizontal circle revolving system. Hinged protective covers can be closed over the fast and slow motion knobs to prevent accidental horizontal movement.

Horizontal or vertical readings are selected by turning a knob and can be viewed through a micrometer eyepiece adjacent to the telescope eyepiece.

THE ARTS

Architecture/Colin Amery

Seven new schemes for the National Gallery

An architectural competition has been under way for several months to find the best design for a new building to extend the National Gallery in Trafalgar Square on to the long-vacant site, known as the Hampton site, next door to the Gallery on the west.

It is one of the most important sites in London. Anything that is built there seals an important vista from the great space of Trafalgar Square and competes with the fringe of rather ordinary classical buildings that surround the square. There is, of course, one quite exceptional building that is really worthy of its position and that is James Gibbs's St Martin-in-the-Fields.

The other buildings, Herbert Baker's wedge-shaped South Africa House, Smirke's Canada House, and the gallery itself by William Wilkins, are only just adequate examples of run-of-the-mill classical public buildings.

Trafalgar Square is a cumulative experience. The central space with the grand folly of Nelson's Column and the magnificent lions and fountains does not depend on the surrounding buildings. It succeeds as a wonderful place to be because of the whirl of red buses around the edges, the uniformity of the stone, the ceaseless activity and the clouds of London coloured pigeons. It is an essentially English place, a grand muddle that tries but does not really want to be an Imperial forum.

This is the setting for one of the most important new buildings to be built in London for several decades. It was the right thing to do to hold a competition. Of the 79 entries a short list of seven is on show at the gallery until September 8, and a winning scheme will be selected and announced by the Secretary of State for the Environment in the middle of October. Public comment is welcomed and anyone remotely interested in architecture should visit the exhibition.

Although the site belongs to the Crown entrants to the competition have had to team up with a developer who gains an office building on this key site but has to provide the galleries. This marriage with commerce was devised by the National Gallery Trustees who feared that no government now or in the future would be likely to foot the bill for an extension. It is an ingenious arrangement, the whole building reverts to the Crown in 125 years but for the present commerce and art stand to gain.

Hugh Routledge

Controlled dignity, National Gallery extension by Ahrends, Burton and Koralek in Trafalgar Square

The combination of office block and galleries that have to be top lit has posed a difficult architectural problem. It has meant that the site has to be densely filled and the very different requirements of paintings and office workers have somehow had to be reconciled. A pedestrian way through to Leicester Square has also had to be retained. The new galleries will house the Italian Renaissance pictures—some of the real stars of the collection—in rooms that the promoters of the competition hope "will have a coherent overall idiom."

The seven short-listed schemes are designed by: Ahrends Burton and Koralek; Arup Associates; Covell, Matthews and Wheatley; Richard Rogers and Partners; Sheppard Robson; Raymond Spratley Partnership; and one American firm Skidmore, Owings and Merrill.

It should be said at once that the assessors will have a hard task to choose the winner. The short list is a very mixed bag reflecting the difficulties of the complex brief and, I suspect, a certain nervousness of the importance of the site.

One scheme by Richard Rogers, the architect of the Centre Pompidou in Paris is an unintimidated piece of brazen modern expressionism. It raises the galleries on stilts above a sleekly curved office building and marks the importance of the building by a high tower topped by a circular viewing deck. It offers a pedestrian route that plunges under the road into Trafalgar Square.

Like the Lloyd's building under construction in the City it exposes its structure and services and rejoices in its metallic skeletal qualities. It is a coarse and rather manic building too reminiscent of some sixties playground to be at home on this site. The National Gallery, for me at any rate, suggests calm contemplation, a palace dedicated to the lasting traditions of European art. It is not the place for technological bravura.

Ahrends, Burton and Koralek have understood the need for intellectual formality in this building. They have designed a bold horseshoe-shaped building with a curved façade round a court and side elevations that respect the streets. Their particular success has been the barrel-vaulted galleries, the walls slightly curving (difficult to hang large pictures?) that are spaces resonant with an understanding of the need for the building to respond to the lasting qualities of the Renaissance pictures. It is also a strongly balanced response to the stone classicism of the Square.

Arup Associates have also responded well to the formality and architectural qualities of the site. Their office building respects the London street line, has a strong and disciplined façade with a solid apparently rusticated base. Carefully designed projecting windows are somewhat reminiscent of Charles Rennie Mackintosh, but are rhythmically appropriate for the street. Entrance to the galleries is up a fine flight of steps that are perfectly in tune with the way that Trafalgar Square is a rising series of levels. A well placed equestrian statue (of the Queen?) marks the change from commerce to art.

A curved entry court leads into the galleries which are superbly right in their arched coolness for the spirit of the collection. The roofline is the least happy part of this scheme, could the top floor of the offices be more grandly corniced? This is a solid and well mannered building that feels right for this area of the capital.

The three schemes by Covell, Matthews Wheatley; Sheppard Robson and the Raymond Spratley Partnership are all near misses. None of them shows a very sympathetic architectural response to the site. They are too monolithic and, while technically highly efficient for the galleries, are unimaginative.

The one foreign entry by the grand old firm of modern architecture, Skidmore Owings and Merrill from America is a curiously shy and diffident entry. Stone, granite and bronze are certainly appropriate for this site, and the marble door surrounds in the beautifully lit galleries make subtle references to the parent building. The building as a whole seems to be overcome by the feeling that it wants to be modern but feels it has to wear classical clothes.

To nominate a winner is a notoriously difficult business and I intend to hedge my bets by recommending two schemes. Both the Ahrends, Burton and Koralek and the Arup Associates' proposals are gifted and appropriate. They both see the point of good-mannered reticence without any loss of architectural integrity. Above all, they seem to understand what an art gallery is about—a place that reflects and responds to the permanent values in our culture. The National Gallery is above all a home for art, a rational and emotional place that demands calm elegance and restraint. The assessors have a heavy responsibility, but if they choose one of these two schemes they should not be disappointed.

St. Marylebone Housing Association

In our issue of July 19 we published an architecture article entitled 'Behind the Facade' in which we stated that the St Marylebone Housing Association had 'terrible plans' to alter radically the nature of the building known as York Street Residential Chambers and implied that the plans were unnecessary. We also stated that none of the management committee of the association had visited the flats in the building and we were critical of them.

We now accept the assurance of the association that those statements were inaccurate and that the association had not yet made any decisions but had consulted the tenants and visited the flats.

We apologise to the association for any embarrassment that may have been caused by our article.

Manon Lescaut/Edinburgh Festival

David Murray

Though Edinburgh still advertises itself abroad as one of the "schönsten Städte der Welt," the depradation wrought upon Princes Street is painful to behold, and the re-building gives no promise of restoring it to its old handsome condition. The Festival thrives nonetheless (with the Fringe burgeoning exuberantly), and had a double opening on Sunday. Besides the Verdi Requiem in the Usher Hall—I shall report later on the second, non-televised performance—the Festival offered their first full-length Puccini in the King's Theatre.

Peter Lindroos and Nelly Miriciou

Completed in 1892, *Manon Lescaut* was Puccini's first major success. He was by no means the first composer to raid the Abbe Prevost's novel, which had material enough to generate several adaptations without too much overlap; compared to Massenet's 1884 version, for example, Puccini's fastens upon key points in the story and lets Manon's progress from one to the next take place during the intervals, so to speak. In the Scottish Opera production by its new general administrator John Cox, this fitful narrative develops smoothly enough from the initial near-operetta scene in which young Manon, convent-bound, chooses the more romantic of two available abductions, through the results of her mercenary second thoughts to her pathetic demise in "a desert near New Orleans."

Allen Klein's designs develop too: a pretty old-fashioned set for an inn where Manon's career takes wing is succeeded by the luxurious hangings of her rich old protector's mansion, a great looming quayside for her deportation, and a black-and-silver moonscape for the last agonies.

Some opacity attaches to the principal characters, however. Nelly Miriciou's devout intensity makes plausible her being convent-bound in the first place, but doesn't explain her fatal weakness for expensive glitter: and her chevalier, Peter Lindroos, displays scarcely more youthful ardour than Raimund Herincx's old lecher Geronte. He looks hag-ridden and makes forceful Italianate noises with a pre-occupied demeanour; Miss Miriciou's sheer musical command offers continuous rewards.

Mr Herincx is a tower of strength, and so is brother Lescaut in the attractive, slightly spivvy person of Gino Quilico, a model of vocal style and vitality. The many smaller roles are nicely taken. Alexander Gibson's orchestra was insistently loud — the shallow King's pit makes difficulties, of course, but much of the best music owns a poignant delicacy that was regularly turned into rhetoric.

The heedlessly happy strains of the first two acts seem to me fresher than the later frolics in *La Bohème*, but here they remained earthbound. It is only fair to add that Gibson, like Lindroos, found the right edge of desperation as Manon's fate closed in upon her, and Miss Miriciou's passive misery was very touching.

Blood and Ice/Traverse, Edinburgh

B. A. Young

To present poets on the stage, it is not enough to fill their talk with quotations. *Blood and Ice* by Liz Lochead is about the Shelleys and the Byrons, if those loosely-connected pairs can be described like that. They quote one another's verse a good deal; indeed, Mary Shelley sets the piece off by singing "Though we'll go no more a-roving" as she sits at her desk, her mind on her baby, William, perhaps. They also quote "The Ancient Mariner" quite often.

Miss Lochead's approach to feminism is to show how Mary Shelley's *Frankenstein* grew from her own experiences. Shelley believed, and we duly get the quotation from *Epipsychidion*, that in love "to divide is not to take away," and he starts a baby with Byron's current mistress, Mary's half-sister, Claire Clairmont. Mary began *Frankenstein* after a nightmare, and in a while the people around her become the people in the book. Shelley becomes Frankenstein and Byron is the monster, identification which seem to me to be thrust on them rather than earned.

When Shelley is ultimately drowned, after a picturesquely staged scene of Frankenstein pursuing his monster to the North Pole, Mary muses "I wonder what it is like to die." (a thought more effectively expressed by Peter Pan).

Despite the biographically historic facts grafted on them, I could not make these people into the Shelleys and Byrons of my imagination. Consciously intellectual in manner though it is, their conversation has little depth. This is not to say that the characters are not decently played in their way, Andrew C. Wadsworth as the beautiful (but unromatic) Shelley, Gerda Stevenson as the philosophical Mary, Ciaron Hinds as Byron, not so visibly lame as he believes, suggests a sinister figure from Poe more than an English peer, and I daresay that may be right. Claire, with her constant relapses into bad French, is portrayed by Jenny Michelmore as a jolly tomboy.

Guthrie Theatre, Minneapolis/Frank Lipsius

The 18th century on wheels

In February, Minneapolis looks as though it were never destined to see the sun, but mid-summer brings blue skies, warm sunshine and along with it, at the Guthrie Theatre, an enthusiastic return to the eighteenth century. Fresh from its special regional-theatre Tony award, the Guthrie's current season includes Goldoni's summer holiday trilogy transformed into *Summer Vacation Madness* followed by Andrei Serban's production of Beaumarchais's *The Marriage of Figoro*.

For Andrei Serban, faithfulness to the 18th century requires not a reproduction of its foibles and mores but their translation to a contemporary idiom. This he does with great flair, lots of fun and some brilliant touches. His daring pays off in its most important function of lifting the play from being the opera manque to its own celebration of irreverent and exuberant insubordination, bordering on the revolutionary.

Indeed, so successful is Serban's recapture of the original in spirit if not literalness that he gets away with a manic scene of the company dressing for the marriage accompanied by Mozart's overture, played on the kind of enormous stereo box enjoyed by the rebellious of our era.

The box climaxes the director's indulgence in the trappings of this alternative lifestyle, an American counterpart to Britain's punks or Louis XVI's chafing nobility. While David Warrilow as the Count Almaviva wears a white suit and borsalino in the style of a Monte Carlo card shark.

He is surrounded by people on wheels, from Richard Ooms in a scare mask and wheelchair to Cherubino on roller skates, and a messenger on a skateboard exiting down a ramp at full speed on his belly.

But the obsession with wheels extends to sofas being rolled round the stage, along with beds, wheelbarrows, monocycles and a grocery cart. Serban goes overboard with it. Every scene has been jazzed up, the flash of an idea evident in the long passages where characters dance to the rhythm of their own words or the scary swing on which Robert Dorfman as Figaro has his climactic, and dangerous, indulgence in seditious thoughts.

Serban has picked a good cast to fulfil his primary needs of nimbleness, as exemplified by Dorfman, Jana Schneider as an appealing and fresh-faced Suzanne, Saitlin Clarke as a diminutive and mischievous Cherubino, and David Warrilow dreamily presiding over events as an over-sexed overseer from another generation. They go through the paces demanded by the director's feverish mind, which is never at rest, full as it is of all kinds of possibilities and temptations that do not stop even in the face of excess.

Beni Montresor's set and costumes give full rein to Serban's inspiration, the set consisting of iridescent silver walls and floors on which lighting designer Duane Schuler can instantly change mood and even create wall-length murals reminiscent of Monet's lily ponds.

With William Faulkner's only play, *Requiem for a Nun*, Guthrie director Liviu Ciulei creates a world of 20th-century America more distant than his one-time student Serban's ancient regime Europe. This is the first major revival of the work since its initial round of productions in the mid-1950s, an understandable oversight considering the obstacles it presents to production.

Munson Hicks as Ferdinando sets the tone and pace of these antics in his role as the pretentious gossip who looks down his nose at everything but his own shameless freeloading. He pits Vittoria against Giacinta in their quests for sartorial distinction while their households vie for Ferdinando's foppish, unappealing but sought-after presence.

Though Goldoni has the marks of a dyed-in-the-wool misogynist, his men get off little better than the women, with Vittoria's father, an adorable, Ben Franklin-looking Bill McIntyre as Filippo, competing with Seth Allen's Leonardo for Ferdinando's approbation. Broad slapstick goes awry as Leonardo keeps changing his mind about venturing into the country at all, while Filippo suffers exasperation at the demands made of his open-hearted hospitality by his guests and spoiled daughter.

Frenetic preparations for the holidays give way to hardly more peaceful antics in the idyllic setting of Montenaro, but the serious game of courtship and marriage arouses some emotional range in Kristine Nielsen as Giacinta but does little for the more limited pouting of Caitlin Clarke as Vittoria. Seth Allen's Leonardo has a jarring New York accent that he spreads like nasal molasses over his contrasting, but here barely distinguishable efforts to control his sister Vittoria and crawl to his love Giacinta.

Summer Music/Festival Hall

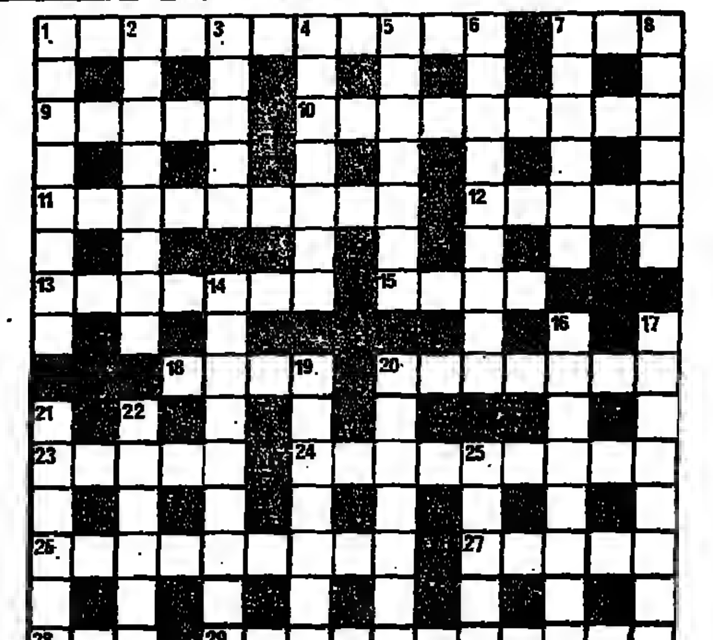
Max Loppert

In a series of swiftly unfolded late mishaps, indisposition deprived Sunday's South Bank Summer Music concert of two of its three scheduled soloists, Clifford Curzon and Kyung-Wha Chung. The worst casualty of the evening, however, having no connection with either, seemed more the consequence of a culpable offence than of an accident.

This was the opening work, Stravinsky's *Apollo*, which had apparently been thrown on with so small a modicum of rehearsal that it was made to sound a thin-blooded collection of disparate string-orchestra scraps rather than one of the most serenely lyrical effusions of the composer's neo-classical period. The orchestra was nominally the Philharmonia, though its personnel bore only a limited resemblance to that band (according to the list of names in the programme, the leader of the cellos is now a woman called Andrew Shulman); certainly, the varieties of scrawny, disjointed orchestral tone emitted, here and elsewhere in the programe, were hardly what one associates with the Philharmonia after its recent fine-groomed showings in London.

In the last of the Mozart piano concertos, K595 in B flat, the soloist, Walter Klien, could hardly hope, in the circumstances, to establish more than the most superficial acquaintance with either his accompanist or his conductor, Simon Rattle. Even on its own terms, Mr Klien's suavely moulded and modulated traversal of the music failed to do more than delicately skate across its surface (his introduction into the final movement cadenza of a snatch from the song "Sehnsucht nach dem Frühlinge", K596, was a moment of unforgiveable vulgarity). Over the work of Miss Chung's replacement as violinist in the Brahms Double Concerto, Ernst Kovacic (partnering Yo Yo Ma), it might be best to draw a kindly veil. This is not, one imagines, one of the 1982 South Bank Summer concerts that Mr Rattle will look back on with a great deal of pleasure.

F.T. CROSSWORD PUZZLE No. 4,956



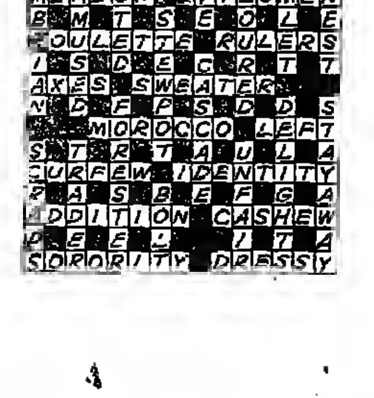
ACROSS

1 Just one suit seen on a naval vessel? (11)
7 and 28 Ask for a single and go away (6)
9 Exclusive typewriter typesize (5)
10 Scarf for a vertebra (9)
11 Carry in ecstacy (9)
12 Summon up to elicit (5)
13 Old silk mixture in waterproof fabric (7)
15 Inane person making an architectural projection (4)
18 At work on the summit (4)
20 Can't ego become related? (7)
23 Teamleader with skin disease? Rubbish! (5)
24 A means of access to gallery of superior quality (3-6)
26 Subordinate subject relying upon another person for support (9)
27 A device for lifting a bird (5)
28 See 7 Across
29 Formal signing of paper as posted? (5, 6)

DOWN

1 A doubtful point in search I take on (8)
2 Am I to send a telegram to be friendly? (8)
3 Lock found in fortresses (5)
4 Hurried with a stupid person in Burmese capital (7)
5 Inflamed by extra edict perhaps (7)
6 Curing Australian Aborigine youth in Geelong initially (9)
7 Frenchman takes little brother to school (6)
8 Eccentric old man with a source of hot water we hear (6)
14 Former British field-marshal from S. Ontario (9)
16 Spoil serious and solemn German nobleman (8)
17 Being conscious, I sent net adrift (8)
19 Waste time on yard making earthenware (7)
20 More than one head left in wealth (7)
21 Artist's workroom — carelessly dust one with love (6)
22 Pole with sufficient for a representative part of the whole (6)
25 Spot a set of mathematical lines (5)

Solution to Puzzle No. 4,955



THE MANAGEMENT PAGE: Small Business

EDITED BY CHRISTOPHER LORENZ

When risk assessment can become a personal affair

Technica is in a hazardous business. Simon Henderson reports

IT MIGHT be said that experts who assess industrial risks should be prepared to take a few risks themselves. A little over a year ago a group of five engineers and scientists started doing just that, and have found that so far their own risk has proved more than worthwhile.

The five, ranging in age from 29 to 41, formed their own consultancy. After 12 months of operation the fee income they have generated—more than £600,000—exceeds their original most optimistic forecast by a factor of three. Technica, the company they formed, has won a respectable share of a market which they initially considered was worth up to £10m a year in the EEC.

Technica's field is highly specialised. Essentially hazards assessment means looking before construction at the dangers associated with, say, an offshore oil platform, a chemical plant or a nuclear power station. The company also analyses the risks, calculating how often a particular hazard might occur and whether this frequency is tolerable.

The backgrounds of the founder directors are in fields as diverse as chemical engineering, aeronautical engineering, combustion and fluid dynamics.

They learned their profession studying the effects of such disasters as the Flixborough explosion in 1974 in England and the accident at Seveso in 1976 in Italy which led to the release of toxic dioxin in the surrounding area. Working as part of a team at another consultancy, they decided to go their own way; Technica is the result.

In the past year their work has included several studies on the safety of North Sea offshore platforms. Other work has included assessing the danger of oil pollution in the Shetlands, the possible consequences of the explosion of a Dutch plastics factory, and a confidential study on the risks of flooding—whereabouts undisclosed.

Efforts are now being made to move Technica into the computer software side of the field. It has already completed a mathematical model for a client showing how gas clouds form during accidental release. Another project involves providing software for the Dutch Environmental Health Authority to carry out its own hazard analysis of chemical plants.

Rapid

Customers have included big names like British Gas, the Hong Kong Government and international oil companies. As is the nature of consultancy, work in hand only stretches three months into the future—"after that there is a void."

But Technica is pleased with its success rate in bidding for contracts. This averages out at about 75 per cent. A small job might bring in £10,000; the largest has been worth £100,000.

The success is particularly gratifying because none of the founder directors had any particular business experience. Dr David Slater, the managing director, is aware that the growth of work volume might have been too rapid. He says the company is deliberately trying to avoid taking on too many jobs and making sure that it is not dependent on any one type of work.

Similar caution comes from the Industrial and Commercial Finance Corporation (ICFC), the City institution which provides medium and long-term funds for small businesses. ICFC has 25 per cent of the equity (£7,500) and put in an additional unsecured loan of £40,000.

Felicity Rutland, who handles the Technica file at ICFC's Reading offices, says "the company has performed well above average and I am delighted," but she adds that just over one year is much too short a time on which to draw conclusions.

Organisationally, Technica has been able to expand. It now has 20 full-time staff including the five directors, and it can also call on a panel of 28 consultants for specialist assistance.

Professor Frank Lees of the chemical engineering department at Aston University has recently joined the company as a non-executive director. He is the author of "Loss prevention in the process industries," a standard work of reference for hazard assessment specialists. It is hoped that he will help the company maintain contact with the academic world as well as act as a "technical auditor."

Management responsibilities come on top of normal work and are divided between the directors. Company secretary is Philip Comer, otherwise an expert on air pollution. Dr Mark Pyman, the youngest director, handles the financial side. Miles Seaman, who at one time worked for the petrochemicals division of ICI, looks after commercial aspects. Dr Tony Cox is the technical director and is also responsible for development.

A monthly management meeting analyses forecasts and performance. (ICFC only asks for quarterly reports.) Otherwise the directors are rarely all in the office at the same time.

Comer describes the management style as almost a co-operative and Dr Slater, despite his role as managing director, is always careful to point out that his opinion is only one of several.

Expansion

Now into its second year Technica has just taken up a lease on more office space, just down the street from its London office. This expansion also provides space for a small computer, the purchase of which has saved several thousand pounds a month by not using a computer bureau.

This month the directors are meeting to decide on whether to open an office in Aberdeen, especially to cope with North Sea work.

Dr Cox jokes that if they had correctly predicted the workload, they might have gone for 15 directors and twice the start-up capital. At present, apart from the directors' own input of capital and ICFC's, there is an overdraft facility for £30,000 at Barclays Bank.

The five directors are hardly resting on their laurels. They regularly work into the evening and at least part of the weekend.

But they do have a certain smugness at the success of their efforts. Dr Cox recalls that one of the main clearing banks, approached at the beginning for an overdraft facility, rejected their forecasts. The bank later wrote asking whether it could use the documents internally for purposes of training.

Roger Taylor

Technica directors (l to r): Mark Pyman, David Slater, Professor Lees, Philip Comer, Miles Seaman and Tony Cox: first year's income is three times their most optimistic forecast

DoI steps in to create order from chaos

A CONVERTED pub called the Horse and Groom Small Businesses Centre at Cheltenham; the Bristol-based New Work Trust, and the Taunton Deane Small Business Forum, are just three of the 50 to 60 organisations and self help centres which small businessmen and those starting for the first time can get in touch with in the South West of England. Similar numbers could be found in other parts of the country.

Names, addresses and contacts inside many of these organisations have recently been listed in a new series of directories published by the Department of Industry in an effort to improve communications and cooperation between the Department and the many sources of locally based advice for small firms.

Over the last nine months John MacGregor, the Industry Minister with responsibility for small business, has chaired a number of conferences round the country which were attended by enterprise agencies, small firms advisory groups and their ilk.

Given the explosion of interest in small businesses over the last two to three years, fuelled by the many Government measures designed to encourage them, there has been considerable concern that the growth of both public and private sector advisory agencies has got out of control. Some observers feel that the result has been to confuse those whom it has been intended to help.

The clear view from the conferences, however, was that any form of central direction or over-co-ordination should be avoided. This, delegates argued, could stifle local initiative and self help which are important to the success of their organisations.

There was, nevertheless, a feeling that more could be done to improve the flow of information and awareness both of measures to assist small firms and of the organisations in the field.

The DoI has therefore launched two new initiatives. The first is to disseminate more fully through the organisations its small firms "factsheets," which provide details on topics of current interest.

Nine of these have been circulated so far on subjects which include this year's Budget, the £130m Innovation Package announced after the Budget by the Industry Minister, Patrick Jenkin, the Small Engineering Firms Investment Scheme (which is now fully subscribed), grants for industrial innovation, the Small Firms Technical Advisory Service, the Small Workshop Scheme, and the Extension to the Design Advisory Scheme.

The idea is that small firms organisations can either photocopy them and send them off to clients or use snippets of information for their own newsheets.

The other initiative has been to produce regional directories. The DoI points out that these will be updated "from time to time" suggesting perhaps that it does not expect the growth of advisory organisations to slow down for the moment.

Copies both of the factsheets and the new directories can be obtained from DoI regional offices.

Tim Dickson

In brief . . .

FOLLOWING its first annual review of the Loan Guarantee Scheme, the Government is now allowing small companies to borrow up to the £75,000 maximum in stages rather than in one lump sum.

This may seem little more than a cosmetic change but it is one the 30 participating banks have been keen to push through. Managers have found, for instance, that many small businesses forced to draw down the full amount put some of it back on deposit and incurred an immediate loss in the process.

Under the new terms, agreed with John MacGregor, the Industry Minister with responsibility for small firms, the full amount of the loan can be drawn over a period of two years. Borrowers are allowed, at the bank manager's discretion, to take the funds in four separate tranches, though a single tranche must not represent less than 25 per cent of the total.

The dates for drawing down the money, moreover, have to be agreed at the time of application. This is in order that the Department of Industry can calculate the cost of the 3 per cent premium which goes to pay for the Government guarantee.

The banks operating the scheme have agreed to make more effort to get their managers interested and informed about how it works.

●

ELECTRA Risk Capital, the £8.7m fund established under the Business Start-up scheme, completed four further investments amounting to £817,000. One is a 50 per cent stake in a company jointly owned with Rotaflex, the electric fittings and appliances group, another manufactures three-wheeled skates, the third will assemble and supply a range of aerosol valves and pumps for the UK and European markets, and the fourth is acquiring part of the battery development division of Berec.

Eric, as the fund is known, has now made 13 investments totalling £2.7m. Most of the balance of its fund is expected to be committed during the current tax year.

●

THE distant sound of wedding bells can be heard at the headquarters of the Association of Independent Businesses and the Union of Independent Companies.

Talks between these small firms' organisations have been going on for about 18 months now with a view to getting back together again or more probably co-operating more closely. The UIC was originally set up as an offshoot from the Confederation of British Industry—via the AIB—in 1977.

The discussions apparently follow an approach from the Midlands section of the AIB to the UIC in that area and a review by the UIC of areas where it and other organisations may overlap.

If the talks are successful—and betting men are not confident given the fierce independence of most small business representative groups—it would please many, including some Government ministers, who feel that small business lobbyists should speak with a united voice.

The AIB, through affiliate organisations, claims to speak for 30,000 members and probably has on its books the widest range of small firms. The UIC unashamedly concentrates on the manufacturing sector—it boasts about 250 elected members—and is the umbrella group for a number of local groups organised along some Parliamentary constituency lines. It was the desire for this sort of regional structure which was partly behind the break away by a group of West Country businessmen.

The AIB dates back to 1968 when three small lobby groups formed the Smaller Businesses Association. They felt that the Confederation of British Industry did not adequately look after its smaller members. It changed its name in 1978.

●

SMALLER high technology companies face particular problems when assessing the market potential and the useful life and profit margins of new products. Controlling working capital and R and D expenditure are other hazards.

With this in mind Deloitte Haskins and Sells, management consultants, and Oyez International Business Communications are organising a seminar at the London Heathrow Hotel on: "An Effective Business Plan for the Smaller High Technology Company" on October 15. The venue has been chosen to try and tempt more entrepreneurs from Britain's "Silicon Valley" than usually turn up at this sort of event.

Enquiries: Oyez International Business Communications, 3rd floor, Bath House, 56, Holborn Viaduct, London EC1A 2EX. Tel.: 01-236 4080. Fee £125 (plus VAT).

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TELEVISION

BBC 1

6.40-7.55 am Open University (Ultra High Frequency only). 9.20 Scooby and Scrappy Doo. 9.40 Jackanory with T. P. McKenna. 9.55 The Wombles. 10.00 Take Hart. 10.20-10.30 Play Chess! 1.00 pm News After Noon. 1.30-1.45 Bagpuss. 4.18 Regional News for England (except London). 4.20 Play School. 4.45 Hong Kong Phooey. 5.05 John Craven's Newsround. 5.10 Animal Magic.

5.40 News.
6.00 Regional News Magazines.
6.25 Tom and Jerry.
6.35 Kick Start Motorcycle Trials Competition.
7.10 The Show Me Show.
7.40 Hi-De-Hi!
8.10 "An Inspector Calls" by J. B. Priestley, starring Bernard Hepton, Nigel Davenport, Margaret Tyzack and Simon Ward.
8.35 Taxi.
9.00 News.
9.25 There's Something Wrong With Our Bloody Ships: Kenneth Griffith charts the course of the controversial Battle of Jutland.
10.15 "Going Gently": Film by Thomas Ellice from the novel by Robert Downs, starring Norman Wisdom, Judi Dench and Fulton Mackay.
11.23 News Headlines.
11.25 Cycling.

Tonight's Choice

The events of the past few months in the South Atlantic has has given new significance to programmes such as There's Something Wrong with Our Bloody Ships, tonight's Tuesday documentary on BBC-1 at 9.25.

Kenneth Griffith takes a fresh look at the Battle of Jutland, the major naval engagement of the First World War. For many years the battle was considered a defeat for the Royal Navy even though it never actually proved so in reality. However, modern military historians have now revised their views. It makes you wonder how future students of the Falkland campaign will view the outcome of the fighting—will the military victory claimed now be seen as an eventual defeat?

Earlier Radio 4 at 8.20 presents The Manners of a King, a look at the role the Gurkha soldiers have played in the British Army for over a century and a half. Andrew Jones asks the obvious question—how long Nepal will continue to send her fighting men to foreign wars?

However, if you prefer a fictionalised account of war to the real thing then John Ford's classic movie about the exploits of U.S. motor torpedo-boats, They Were Expendable, is on BBC-2 at 8.35.

DAVID CHURCHILL

BBC 2

6.40-7.55 am Open University.
10.30-10.55 Play School.
5.10 pm Home From Home
†5.40 Laurel and Hardy Double Bill.
6.20 The Philpott File.
6.55 Welcome to Wodehouse.
7.10 Junior Pot Black.
7.35 News Summary.
7.40 The Past Afloat.
8.05 Arthur Negus Enjoys Luton Hoo.
8.25 Bird Spot.
†8.35 John Ford Season: "They Were Expendable," starring John Wayne.
10.45-11.50 Newsnight.

LONDON

9.30 am Rocket Robin Hood. 9.50 Wild, Wild World of Animals. 10.15 The Nature of Things. 11.10 Bailey's Bird. 11.30 Paint Along with Nancy. 12.00 Pullover. 12.10 pm Let's Pretend. 12.30 The Sullivans. 1.00 News plus FT Index. 1.20 Thames News. 1.30 Emmerdale Farm. 2.00 After Noon Plus. 2.45 The Spoils of War. 3.45 Father, Dear Father. 4.15 Dr. Snuggles. 4.20 Runaround. 4.45 What's Happening? 5.15 The Real World. 5.45 News.

6.00 Thames News with Rita Carter and David Bellin.
6.25 Help! with Viv Taylor Gee.
6.35 Crossroads.
7.00 Sapphire and Steel.
7.30 The Streets of San Francisco starring Karl Malden.
8.30 Spooner's Patch.
9.00 Best Sellers: Catherine Hicks, Lisa Hartman, Veronica Hamel, David Birney in "Valley of the Dolls." Part 2.
10.00 News.
10.30 Best Sellers: "Valley of the Dolls." Part 2
11.20 City of Angels.
12.20 am Close: "Sit UP and Listen" with Barbara Leigh-Hunt.

† Indicates programme in black and white

All IBA Regions as London except at the following times:

ANGLIA

9.25 am Sesame Street. 10.25 The New Accelerators. 10.50 Joe 90. 11.15 Speedway. 12.30 pm Gardening Time. 1.20 Anglia News. 6.00 About Anglia. 11.20 The Monte Carlo Show: "Liberace." 12.20 am Tuesday Topic.

BORDER

9.30 am Larry the Lamb. 9.40 Evolution. 10.00 Cool McCool. 10.20 Survival. 10.45 Bailey's Bird. 11.05 321 Contact. 11.35 Spiderman. 1.20 pm Border News. 5.15 Happy Days. 6.00 Lookaround Tuesday. 7.30 Simon and Simon. 11.15 Barney Miller. 11.45 Border News Summary.

CENTRAL

9.55 am Hot Air. 10.20 In Concert: Nazareth. 10.45 The Incredible Hulk. 11.30 The Crazy World of Sport. 12.30 pm The Young Doctors. 1.20 Central News. 5.15 Mork and Mindy. 6.00 Crossroads. 6.25 Central News. 7.30 Magnum. 11.20 Central News. 11.25 Anthony Newley in Concert.

CHANNEL

12.30 pm Paint Along with Nancy. 1.20 Channel Lunchtime News and What's on Where. 5.20 Crossroads. 6.00 Channel Report. 6.15 Stingray. 6.30 Private Benjamin. 7.30 Simon and Simon. 10.28 Channel Late News. 11.20 Streets of San Francisco. 12.15 am Commentaires et Previsions Meteorologiques.

GRAMPIAN

9.40 am First Thing. 9.45 Sesame Street. 10.40 Project U.F.O. 11.30 Zoom the Dolphin. 11.55 Undersea Adventures of Captain Nemo. 12.30 pm Gardening Time. 1.20 North News. 6.00 Summer At Six. 7.30 Simon and Simon. 11.20 Cover to Cover. 11.50 Superstar Profile. 12.35 am North Headlines.

GRANADA

9.30 am Larry the Lamb. 9.40 Evolution. 10.00 Cool McCool. 10.20 Survival. 10.45 Bailey's Bird. 11.05 3-2-1 Contact. 11.35 Spiderman. 1.20 pm Granada Reports. 2.00 Hands. 2.30 Home Front. 5.15 Happy Days. 6.00 This is Your Right. 6.05 Crossroads. 6.30 Granada Reports News. 6.35 Family Trees. 7.30 Simon and Simon. 11.20 Journey to the Unkown.

HTV

9.45 am Sesame Street. †10.45 Tuesday Morning Feature Film: "The Angel Who Pawned Her Harp." 12.30 pm Gardening Time. 1.20 HTV News. 4.15 Ask Oscar! 5.15 Diff'rent Strokes. 6.00 HTV News. 7.30 Simon and Simon. 10.28 HTV News. 11.20 Johnny Mathis in Concert in Germany.

HTV Cymru/Wales—As HTV West except: 12.00-12.10 pm Yr Eliffant Glas. 4.15-4.45 Ar El Ol. 6.00 Y Dydd. 6.15-6.35 Report Wales.

SCOTTISH

10.00 am Wilderness Alive. 10.50 Angling Today. 11.15 It's A Musical World. 12.30 pm Gardening Time. 1.20 Scottish News. 5.15 Tales of Crime. 5.20 Crossroads. 6.00 Scotland Today. 6.30 Take the High Road. 7.30 Spooner's Patch. 8.00 Skin Deep. 11.20 Late Call. 11.25 Bradford International Jazz—Stan Tracy Big Band.

TSW

9.30 am Sesame Street. †10.30 Feature Film: "For the Love of Ada." 11.50 The Undersea Adventures of Captain Nemo. 12.30 pm Paint Along with Nancy. 1.20 TSW News Headlines. 5.15 Gus Honeybun's Magic Birthdays. 5.20 Crossroads. 6.00 Today South West. 6.30 Private Benjamin. 7.30 Simon and Simon. 10.32 TSW Late News. 11.20 The Streets of San Francisco. 12.15 am Postscript.

TVS

9.35 am Untamed World. 10.00 "Devil on Horseback," starring Googie Withers and John McCallum. 11.30 A Full Life. 1.20 pm TVS News. 5.15 Diff'rent Strokes. 6.00 Coast to Coast. 7.30 Simon and Simon. 11.20 Brass in Concert. 12.05 am Company.

TYNE TEES

9.20 am The Good Word. 9.25 North East News. 9.30 Friends of My Friends. 9.55 Classix Nouveau. †10.25 Cartoon Time. †10.30 Morning Movie: "Storm in a Teacup," starring Vivien Leigh. 11.55 The Undersea Adventures of Captain Nemo. 1.20 pm North East News and Lookaround. 3.45 The Riordans. 5.15 Stox. 6.00 North East News. 6.02 Crossroads. 6.25 Northern Life. 7.30 Simon and Simon. 10.30 North East News. 11.20 The Living Legends of Jazz and Blues: Koko Taylor. 11.50 Proper Propagation.

YORKSHIRE

9.30 am Sesame Street. 10.30 "Dangerous Mission," starring Vincent Price and Piper Laurie. 11.45 Maggie Gorilla. 11.55 The Bubblies. 12.30 pm Father, Dear Father. 1.20 Calendar News. 3.45 Calendar Tuesday. 5.15 Mr Merlin. 6.00 Calendar (Emley Moor and Belmont editions). 7.30 Simon and Simon. 11.15 Bradford International Jazz Festival: Cayenne (jazz/funk)

RADIO

(S) Stereo broadcast (when on VHF)

RADIO 1

5.00 am As Radio 2. 7.00 Mike Read. 9.00 Simon Bates. 11.00 Tony Blackburn with the Radio 1 Roadshow from Swanage. 12.30 pm Newsbeat. 12.45 Dave Lee Travis. 2.00 Steve Wright. 4.30 Peter Powell. 7.00 Talkabout. 8.00 David Jensen. 10.00-12.00 John Peel (S).

RADIO 2

5.00 am Ray Moore (S). 7.30 Terry Wogan (S). 10.00 Jimmy Young (S). 12.00 Diane Oores (S). 2.00 pm Ed Stewart (S). 4.00 David Hamilton (S). 5.45 News: Sport. 6.00 Jan Leeming (S). 8.00 The Magnificent Minnellis (S). 9.00 Listen to the Band (S). 9.30 The Organist Entertains (S). 9.55 Sports Desk. 10.00 The London Palladium Story, introduced by Max Bygraves. 11.00 Brian Matthew presents Round Midnight from the Edinburgh Festival (stereo from midnight). 1.00 am Encore (S). 2.00-5.00 You and the Night and the Music (S).

RADIO 3

6.55 am Weather. 7.00 News. 7.05 Morning Concert (S). 8.00 News. 8.05 Morning Concert (continued). 9.00 News. 9.05 This Week's Composer: Rachmaninov (S). 10.00 The Part-Song Repertory (S). 10.25 Britten as Conductor (S). 11.35 Ravel and Szymanowski, violin and piano recital (S). 12.10 pm Bartok and Shostakovich concert (S). 1.00 News. 1.05 Six Continents 1.25 Venice Preserv'd (S). 3.10 Flamenco (S). 3.25 Cheltenham Festival 1982 (S). 4.55 News. 5.00 Mainly for Pleasure (S). 6.30 Jazz Today (S). 7.00 Let The People Sing (S). 7.30 Proms from the Royal Albert Hall, part 1: Dvorak, Schnittke (S). 8.30 Tile: A Legend Turns. 8.50 Proms, part 2: Tchaikovsky (S). 9.45 John Sparrow On . . . Lonely Hearts. 10.00 Haydn String Quartets (S). 10.50 Apocryphal Stories by Karel Capek. 11.00 Roger Smalley (S). 11.15-11.18 News.

RADIO 4

6.00 am News Briefing. 6.10 Farming Today. 6.25 Shipping Forecast. 6.30 Today. 8.43 The Borrowers, by Mary Norton. 8.57 Weather, travel. 9.00 News. 9.05 Tuesday Call—Starting School. 10.00 News. 10.02 From Our Own Correspondent. 10.30 Daily Service. 10.45 On Holiday with Tim Brooke-Taylor (S). 11.00 News. 11.03 Thirty-Minute Theatre (S). 11.33 Wildlife. 12.00 News. 12.02 You and Yours. 12.27 Quote . . . Unquote (S). 12.55 Weather, travel, programme news. 1.00 The World At One. 1.40 The Archers. 1.55 Shipping Forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.02 A Dance to the Music of Time (S). 4.00 News. 4.02 Palm Tree Courts in the South Seas. 4.10 Daily Express. 4.40 Story Time. 5.00 PM: News Magazine. 5.50 Shipping Forecast. 5.55 Weather, programme news. 6.00 News, Financial Report. 6.30 Brain of Britain 1982 (S). 7.00 News. 7.05 The Archers. 7.20 Medicine Now. 7.50 Poor Britain, Life on—and below—the breadline. 8.20 The Manners of a King: Gurkhas in the British Army. 9.05 In Touch. 9.30 Kaleidoscope: SoHo—a report from downtown New York. 9.59 Weather. 10.00 The World Tonight. 10.30 Paul Jones on Music (S). 11.00 A Book at Bedtime 11.15 The Financial World Tonight. 11.30 A Chapter of Adventures. 12.00 News.

FT COMMERCIAL LAW REPORTS

Digest of cases reported in the Trinity Term

FROM JUNE 8 TO JUNE 30

Re Civica Investments Ltd and Others (FT, June 8).

The five-year period of disqualification from directorship of a company for a person who fails to meet the requirements under the Companies Act was a maximum period, Mr Justice Nourse held in the Companies Court. A director had failed to render accounts for all 13 of his companies because of an erroneous impression that his accountants were making the returns and delivering the accounts. Although this could not excuse his defaults, it provided an explanation for them and, in view of the measures taken, the judge imposed a one-year period of disqualification only.

Jadranska Slobodna Plovidba v Gulf Shipping Lines Ltd (FT, June 9).

Mr Justice Staughton settled two questions in favour of the plaintiff shipowners in this case: firstly, he decided that when a charterparty provided for a stipulated period "45 days more or less," the parties provided their own extension period without recourse to any further period implied by law. Secondly, if a charterer formed a firm intention to perform his legitimate last voyage and failed to communicate that to the shipowner, he kept the information to himself at his own risk.

Saudi Prince (FT, June 11).

Mr Justice Sheen was asked to look behind the corporate veil to establish the beneficial ownership of the ship Saudi Prince against which a writ in rem was issued. The judge said it appeared that the limited liability company, to which the ship was allegedly assigned, had not been properly incorporated under Saudi law when the writ was issued. Even if that were not so, any change in the share ownership was nominal only, and that the beneficial ownership of the ship remained unaltered.

Monterosso Shipping Co Ltd v International Transport Workers Federation (FT, June 15).

The federation lost its appeal in the Appeal Court against Mr Justice Mustill's finding that Spanish law was the proper law of a special agreement between the shipowners of the Rosso and a Spanish union affiliated to the ITF. This agreement had omitted a clause which the ITF wished to insert, that the owners would employ Swedish seamen; it did, however, confer a certificate that the Rosso was free from being blacked. The ITF disowned the agreement and blacked the ship. On being sued by the owners for damages, the ITF unsuccessfully contended that the agreement was governed by English law, and thus not "a legally enforceable contract" under the Trade Union and Labour Relations Act 1974.

Tate and Lyle Food and Distribution Ltd and Another v Greater London Council and Another (FT, June 16).

The GLC constructed a ferry terminal for the Tate and Lyle refinery between 1964 and 1966. The siltation became so marked that the jetties were in danger of becoming inaccessible. After unsuccessful attempts to persuade the GLC and the Port of London Authority to dredge the channel, Tate and Lyle had to carry out the necessary dredging itself. In allowing an appeal by the GLC against an award of damages to Tate and Lyle, the Appeal Court held that the GLC and PLA owed no duty—either by statute or under common law—to maintain the water at a particular depth.

Customs and Excise Commissioners v Addie and Associates Inc (FT, June 18).

Mr Justice Hobhouse refused to accept that a "passenger" under regulations governing the importation of aircraft into the UK should be defined as a fare-paying passenger. The word should be given its ordinary unqualified meaning, to include any person who was not a bona fide member of the crew. Addie imported a single-engined aircraft into the country and the regulations specified that it would not be used to carry any passengers. The regulations were breached when an employee of the firm was flown in the plane on a single journey within the UK.

Cheall v Apex (FT, June 22).

Lord Denning and Lord Justice Slade stated that an individual was free to join a trade union of his choice despite the Bridlington Principles which governed inter-union disputes over membership. Mr Cheall ought not to have been expelled by Apex after the TUC had found it in breach of the Principles, unless there was reasonable cause for his expulsion and it accorded with natural justice. Lord Justice Donaldson, dissenting, said that public policy doctrines ought only to be invoked where harm to the public was incontestable.

GUS Property Management Ltd v Littlewoods Mail Order Stores Ltd and Others (FT, June 23).

After a building, owned by Rest Property, had been considerably damaged by building operations carried on by Littlewoods, it was transferred to GUS, a wholly-owned subsidiary of the parent company. The transfer price was determined by accountancy considerations without reference to the building's true value. At the time of the transfer, Rest assigned its claims against Littlewoods. The House of Lords allowed GUS's appeal that it was entitled to pursue a claim for the loss suffered by Rest. They held that the price at which the building was assigned was irrelevant to the assessment of damages, which were to be calculated according to the building's market value.

European Grain and Shipping Ltd v Cremer (FT, June 25).

A dispute arose over a temporary prohibition of soyabean exports by the U.S. Government except under licence. The sellers relied on their contract, incorporating Gafta Form 100 which provides for partial cancellation in the event of government intervention. In arbitration proceedings, the Gafta Board of Appeal found for the buyers in clear and unambiguous terms. Mr Justice Bingham said, however, that it was impossible to establish the basis of the Gafta Board's decision because of its erroneous process of reasoning. To resolve the case, he would send it back to the Board for proper elucidation.

Abu Dhabi Liquefaction Co Ltd v Eastern Bechtel Corporation and Another; Eastern Bechtel and Another v Ishikawajima-Harima Heavy Industries Ltd (FT, June 29).

The Court of Appeal appointed a single arbitrator to settle the two separate arbitrations that arose from a contract and a sub-contract for the construction of oil-liquefying tanks on Das Island. At first instance, the judge held that a single arbitrator might make an adverse finding in the first case that would affect his decision in the second. However, their Lordships said that the disadvantage of having two separate arbitrators was that they might make inconsistent findings on virtually the same question, such as the important issue of causation. If prejudice were likely to occur, the arbitrator or the parties could request the court to make a new appointment.

Athens Maritime Enterprises Corporation v Hellenic War Risks Association (Bermuda) Ltd (FT, June 30).

When equipment was stolen from a ship by a gang of knife-carrying thieves, who threatened force to make good their escape, this could not be defined as "piracy," Mr Justice Staughton held. The fact that the ship was within territorial waters was not a material factor. However, for the purposes of marine insurance, piracy must involve the essential element of force, or the threat of force, at the time of the theft, thereby causing the loss.

A digest of cases reported between July 2 and July 27 will appear tomorrow.

Aviva Golden

RACING

BY DARE WIGAN

THE "RUBBER" in the competition between British and American jockeys is to be held at Sandown on Wednesday October 20 when the leading riders from both sides of the Atlantic compete in a series of three races over different distances for the Sandown Salver.

The competition was inaugurated in 1980 when it was sponsored by Seagrams, and the American team won the trophy that year by a landslide margin. The victory gave rise to plenty of speculation in some quarters that we have for some time now been over-rating the prowess of our own top jockeys, including Piggott.

Last year that somewhat naive speculation was scotched when the British team prevailed, albeit narrowly, in a competition which seems to have become far more popular than at first seemed likely.

The American team this year is expected to be made up of Bill Shoemaker, Steve Cauthen, Eddie Delahoussaye and Cash Asmussen. Piggott heads the list of UK riders which includes other Derby-winning jockeys in Carson, Eddery and Starkey.

Looking a little less far ahead, there now seems every probability that Saturday's £35,000 renewal of the Waterford Crystal Mile will provide us with an even better race than that for the Sussex Stakes. Both the winner and runner-up in the latter, On The House and Sandhurst Prince, are confirmed runners, as is Ireland's champion miler Dara Monarch.

On The House had half a length in hand of a somewhat rusty Sandhurst Prince in the Sussex Stakes, but the Harwood colt will be confidently backed to turn the tables this time. The victim of bunching approaching the distance in that event, Sandhurst Prince, who had not previously run since April, will meet On The House and the third, Achieved, on 8 lb better terms this time.

YARMOUTH
2.15—Polished Silver**
3.15—Famous Star***
4.45—Worlingworth Waltz*

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
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Tuesday August 24 1982

IMF ducks a challenge

THE annual report of the International Monetary Fund is a depressing document in more senses than one. It documents, as it must, the deplorable state of the world economy, slipping into more and more obstinate recession, and clearly courting the danger of a retreat into protectionism, and rightly warns against this danger. However, apart from a broad hint that the Fund's own resources should be substantially enlarged in the 1983 quota review, and some calculations designed to persuade people to make more use of SDR-denominated assets in their reserves, it has precious little to suggest by way of remedy.

Advice

To say this is not to suggest in any way that the Fund has the duty or the ability to see solutions to problems that baffle everyone else; its comments on national policies of economic management are exactly what might be expected, and the Fund must feel some satisfaction that between the drafting of its report of the forthcoming Fund meeting, its advice has been followed to such good effect.

President Reagan's willingness to put his prestige behind the effect to reduce the U.S. deficit is certainly one important reason for the large and welcome fall in interest rates in recent days. A proper balance between fiscal and monetary policies is certainly a less damaging way of achieving disinflation than an excessive reliance on high interest rates. However, it hardly needed the IMF to teach us this: the OECD, the Bank for International Settlements, and a majority of finance ministers have been saying little else for many months.

Where the report is weak is precisely where one might hope that it would be strong—in commenting on the matters which are its own special concern: the world's foreign exchange regime, and the monitoring and correction of payments imbalances.

This kind of failing is of course endemic among international institutions: they preach generalities not so much because they love the sound of their own voices, but because broad sermons on virtue are much less likely to offend than specific technical suggestions which may offend the prejudices of member governments. However, good technicians given determined leadership should be able to find some scope for constructive proposals.

Passive

So far as exchange rates are concerned, the Fund has remained almost entirely passive in the last decade: the collapse of the Bretton Woods system, and the subsequent failure of the Group of 20, has ruled out new worldwide solutions.

However, this need not rule out comment. The Fund staff is better qualified than anyone else to comment on the vexed issue of intervention, for example—a matter on which the BIS has been willing to give a lead. Are members excessively complacent about huge exchange rate swings? Equally, the Fund might have something useful to say about the appropriate regime for the smaller economies in the turbulent conditions stirred up by the large ones. It simply observes that small economies have become less willing to peg their currencies to any of the major blocs: but under conditions which the Fund staff could best define, this might well be better than the present regime of crisis and capital flight.

The present currency regime, and equally the much greater international mobility of capital, also has profound implications for the rules of good international behaviour, and these are not explored either.

The Fund continues to operate as if the current account of the balance of payments still had the central importance it was thought to have under a regime of fixed exchange rates; but the world has changed drastically. Even the facts about current balances are impossible to establish when the IMF's own figures throw up a residual error of no less than $61bn. In any case stability and recovery might benefit far more from attention to the conditions which impede orderly flows of investment funds than those which tend to push oil importers into deficit.

Potential

Now that the self-confidence of the world banking community has been so severely shaken, and world currency reserves are shrinking quite largely in consequence of this, the Fund has a more important potential role at the hub of the international settlements system than for many years. It is to be hoped that member countries will encourage its officials to play this role more wholeheartedly than the report suggests they are willing to do at present.

. . . while the South waits

THE IMF's sombre tones will ring particularly loud in the developing world. There economic growth has not merely slowed: it has fallen below population growth for the first time in several decades. Deficits on current accounts have not been eliminated as they should have in the industrialised countries; and inflation, far from falling, is half as high again as it was in 1978.

Deflation

It does not need the IMF to underline how the three-year economic slowdown in the North has helped to contribute to these troubles. But it is proper that the IMF should stress the effects which deflationary policies in the West have on the farmer of the Sahel, the primary producer of Bangladesh or the central bank of Brazil.

For recent developments in the world economy mean that the poorer countries find they have to run increasingly fast to stay in the same place on the treadmill. They increased the volume of their exports by 18 per cent between 1979 and 1981, but have seen commodity prices fall to the lowest level for 35 years. Increased interest payments and oil deficits are costing them $60bn extra per year. It is scarcely surprising that many have trouble in servicing their debts.

Recently it has been the problems of oil producers such as Mexico and Nigeria which have attracted attention. These have grave implications. But equally serious, if less novel, are those of the rest of the South. Few, if any, of these countries have the social services of the North to cushion the effects on society of the increased unemployment seen in recent years. Hundreds of millions are already living at or below the breadline. Further, the absence of healthy Third World markets could deprive the industrialised world of up to half the export growth which it is looking for in the next decade.

At the bottom end of the scale, at least 40 countries will continue to rely entirely on official aid to develop their human and physical resources, according to World Bank forecasts.

It is essential that developed countries do what they can to bolster aid—in stark contrast to London and Washington's recent examples. In addition they should heed the World Bank's recent stress on the need to assist third world agriculture. Success in the agricultural field has been shown to help stimulate the whole economy. Only last week, the British Government was stressing how its aid programme continued to give more weight to "commercial, industrial and political considerations."

M Jacques De Larosiere, managing director of the IMF, has recently been emphasising that an increase in concessional aid is, in present conditions, more than ever a necessity. His appeals are very much a cry from the heart. One of the fund's experiences this year is that an increasing number of developing countries is unable to meet the terms attached to IMF lending. As of April 30 this year more than one-third of the SDR 11.2bn ($12.5bn) of undrawn balances of commitments made by the IMF could not be drawn by the countries concerned. Their failure to meet the conditions established with the IMF had rendered the programmes "inoperative."

Failure

The arguments over IMF conditionality are almost as old as the IMF itself, but they become increasingly important as the fund plays a growing role in tackling Third World deficits and as most of the IMF's advances have conditions attached to them. Between 1978-80 the bulk of IMF lending had few or no conditions attached.

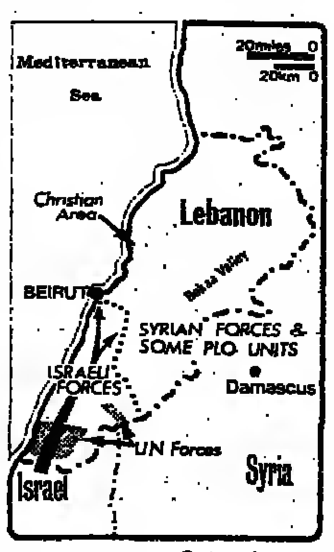
Insisting on fiscal and monetary austerity throughout the world cannot eliminate all countries' current account deficits, but only redistribute them—as well as ensure that the IMF contributes to the very world recession which it most fears. The IMF report fails to tackle this issue and only talks of technical assistance to make its programmes more successful. It is a theme that the IMF ought to tackle.

LEBANON AND ISRAEL

Mr Begin finds himself in a political quagmire

By Patrick Cockburn in Jerusalem

"WE HAVE caught a bear by the tail and we cannot let go," said an Israeli official last week, reflecting on Israel's ten-week-old campaign in Lebanon.



Graham Lever

The Palestine Liberation Organisation's departure from Beirut pleases them, but the Israelis are increasingly concerned about how they will fare from now on in the Lebanese political quagmire. Perhaps the stridency of the tones in which Cabinet Ministers claim that Israel has won a major victory betrays this unease. It is proving frustrating and difficult to turn massive military superiority into a clear-cut political victory.

It has been a messy war from the beginning. Initial limitations on Israel's advance were soon abandoned, but the long-term objectives of Mr Menahem Begin, the Israeli Prime Minister, were never clear. Taking advantage of the confusion, General Ariel Sharon, the Israeli Defence Minister, made most of the running and pushed his tank columns north to cut off West Beirut, only afterwards seeking Cabinet approval.

Israeli policy is still elusive. The Cabinet cannot make up its mind whether to use the same mixture of diplomacy and military force against the Syrians as it used against the PLO. This will be the critical question in the next few weeks. It is also unclear how Mr Begin will handle the U.S. demand for real autonomy for the West Bank Palestinians, which is to be the centrepiece of the new U.S. peace initiative.

Even the departure of the PLO, the one concrete Israeli achievement of the war, could turn out to be a pyrrhic victory. The PLO is essentially a political organisation. Militarily it was far too small ever to pose a serious threat to Israel. General Sharon says the PLO has suffered "an unparalleled defeat," and is trying to popularise the word "expulsion," rather than "evacuation" to describe the PLO pull-out.

Clearly, the PLO has been hit. It will find it more difficult to operate away from the political freedom of Beirut, particularly as its new headquarters are likely to be well off the beaten track in Tunis. On the other hand, the organisation has made tremendous political gains over the past two months. Its prestige in the Arab world has never been higher. There is no evidence that it has been struck a fatal blow.

For Mr Begin, the length of time it has taken to winkle the PLO out of West Beirut and the pictures of its destruction, have had the disadvantage of focusing world attention on the Palestinian issue. Washington has made a more serious commitment than ever before to seek to change Israeli policy on the West Bank and Gaza Strip. Over the weekend, Mr Begin and his government were already beginning to take a defensive position, stressing that they would not move from their own narrow interpretation of the Camp David accords.

For Mr Begin and most of his Cabinet, there is no room for compromise. The retention of the West Bank (referred to by the Government as Judaea and Samaria) is a matter of ideological principle. The failure of the last two U.S. administrations to restrain Israeli policy on the West Bank makes it all the more difficult to extract any concessions from Mr Begin today.

Washington would also be in a stronger position if it had protested more vigorously over the annexation of the Golan Heights last December, or the dismissal from office of such moderate figures as Mr Rashad Shawa, the Mayor of Gaza. Meanwhile Israel's stance is likely to doom any American hope that a more malleable Palestinian leadership, separate from the PLO, will develop on the West Bank.

"Israel has no intention of surrendering Judaea or Samaria to Palestinian rule, or to that of Jordan," wrote a Sharon supporter recently. "The Government fully intends to extend Israeli law to the territories (of the West Bank and Gaza) for which the Golan Law was a trial balloon, and, when convenient completes Israeli sovereignty." (The Golan Law was the one under which Israel annexed the Golan Heights.)

The most Mr Begin and his Cabinet would concede is probably some form of largely cosmetic autonomy in the form of a Palestinian Bantustan. Since no Arab state could participate in negotiations on this basis, the "window of opportunity" for peace in the Middle East seems to be something of a mirage.

Israel is also likely to clash with Washington over the future of Lebanon. Jerusalem has yet to decide how far it really wants to keep its present position as the predominant power in the country. Mr Begin says he will withdraw just as soon as the Syrians pull out their 30,000 troops and 7,000 PLO from the Bekaa Valley — the back door to Damascus — and Northern Lebanon.

Over the past week, however, President Hafez al-Assad of Syria has been reintroducing his armoured brigades in the Bekaa and the heights overlooking them and will probably fight rather than withdraw. Gen Sharon has always wanted to throw the Syrians out of Lebanon and, if possible, bring their army into battle and destroy it. Militarily, Israel is strong enough to do this and the Syrian leadership knows it. In a few days of fighting in June, the Syrians suffered heavy casualties and all their anti-aircraft missile batteries in the Bekaa Valley were wiped out by Israeli bombers. They had no strategic reserves left to commit to Lebanon, without denuding their divisions covering the Golan and Damascus.

No doubt Gen Sharon would like to unleash his tanks and infantry against the Syrian forces in Lebanon. Over the past few days officials in Jerusalem have warned that they hold Syria responsible for the pinprick attacks by PLO commando squads operating from behind Syrian lines. But ever since Gen Sharon was forced to call off the bombardment of Beirut, under pressure from the U.S. and his own Cabinet colleagues, his capacity to use the military option has been constrained. He needs Mr Begin's support. For the moment, he does not have it.


PLO fighters hold up a picture of Yasser Arafat as they arrive at Larnaca, Cyprus, from Beirut, before being flown to Jordan and Iraq

There is also little enthusiasm in Israel for a renewal of full-scale war. Reservists still in the armed forces have been promised that they will be demobilised, as soon as the PLO evacuation from Beirut is complete. A head-on fight with the Syrians would also involve heavier casualties than the 333 Israelis killed in the past 10 weeks.

Gen Sharon's frustration stems from the fact that as long as the Syrians retain one-third of Lebanon, they can prevent Israel imposing its own settlement. Jerusalem's one trump card is its military superiority. If the Syrians—and the various political factions in Lebanon—cease to believe that Israel will go to war, then the Israelis will simply become one more participant, though the most powerful one, in the complex and violent world of Lebanese politics.

This has traditionally been divided into 15 different sects or officially recognised religious communities and the divisions—between the Christian and Moslem communities and within the two—can be fierce. For example, the difference between the Maronite Christians and the Greek Orthodox, or the Sunni and Shi-ite Moslems, can be very sharp. However, none of the Lebanese parties which initially welcomed the Israeli tanks with flowers have any wish to become Israeli satraps under the control of Jerusalem.

The problem is that, even if the Syrians and Israelis were persuaded to withdraw, they would not leave behind an indipendent Lebanon with an executive willing and able to exercise sovereignty over the country. With their departure, a political vacuum would be created. Although the Christians like to blame all the woes of Lebanon on the Palestinians, the PLO was much more the catalyst than the underlying cause of the 1975-76 civil war. Mr Bashir Gemayel, the most powerful Christian leader, has suceeded in creating a well-ordered miniature state with its capital in East Beirut, but his election as President yesterday will lead to bitter opposition from Lebanon's Moslem majority.



It is unclear how Mr Begin (right) will handle the Reagan demand for real autonomy for the West Bank Palestinians

For the moment, however, the most likely outcome in Lebanon is an uneasy quasi-partition in which the Syrians remain in the Bekaa and the Israelis hold the south of the country. This will be an unsatisfactory compromise. The two sides are too close to each other for the threat of war ever to be far away. Both sides have allies among Lebanon's various factions who will naturally come into conflict.

So, even if Israel wanted to pull out of Lebanon, it would be difficult to make a clean break. It is this which worries the more moderate Israeli politicians and newspapers. Arguing that the Israeli army must leave Lebanon as quickly as possible, the independent daily, Haaretz, warned last week that "at the extreme right wing of the Government, voices have been heard for some time about the need to stay in Lebanon for 'a long time' and in Southern Lebanon 'for some years' (with some hinted asides about not leaving certain areas ever). These references should not be taken lightly; the massive colonisation of the West Bank began with prattle which at the time seemed to be nonsense." General Sharon at least seems to regard the present Israeli line as a point of departure, rather than a maximum advance from which he is ready to retreat.

Certainly, the present position of the Israeli army is unsatisfactory. It neither fully controls Lebanon nor has it dealt the crushing blow to Palestinian nationalism, for which Jerusalem seems to have hoped. But it has succeeded in inflicting a deep humiliation on the whole of the Arab world. All the windy rhetoric which has poured from Arab capitals over the last 30 years has been exposed for what it is. Among the largest demonstrations against the invasion of Lebanon in the Middle East were those in Israel itself.

"Arabs respect *real*, not fake, power," argues one right-wing commentator in Israel, and many Israelis instinctively agree with this crude argument. But the invasion of Lebanon has probably destroyed any chance—at least in the foreseeable future—of a negotiated settlement between Israel and the Arabs. The chronic instability of the region has increased. If Arab governments are overthrown as a result of the Lebanese crisis, as they were after Israeli victories in 1948, 1956, and 1967, then succeeding governments are not going to be more moderate.

In this atmosphere, hopes of Washington reviving serious Arab-Israeli peace negotiations must be very slight. Israel seems to have got itself firmly stuck in the Lebanese political morass, but it is unlikely to extricate itself by withdrawing its troops to the Israeli border. On the contrary, the temptation will grow over the next few months for Gen Sharon to try to finish the job which he started in June.

Men & Matters

Port ahead

Churchill College, Cambridge, should provide a suitably congenial environment for Sir Hermann Bondi, chairman of the Natural Environment Research Council, when he takes up his appointment as Master in August next year.

Its pride in the pursuit of technology, energy conservation and the use of natural resources to enhance the quality of life is neatly summed up in the port railway which circles the Master's mahogany dining table.

Bequeathed, with many other aids to gracious living, by Brendan Bracken, the mahogany track is laid after dinner to facilitate the free circulation of a coaster bearing two or three decanters.

Bondi's appointment is a fitting accolade for a scientist who, apart from distinguished work for Britain as the government's chief adviser on defence, energy and space research, has been one of the Western world's brightest academic stars.

Currently professor of mathematics at King's College, London, he has held posts at the universities of Cambridge, Oxford, Cornell and Harvard, since leaving his native Vienna in 1937.

Bondi intends, however, to see out his full term as chairman of the NERC which does not expire until September 1984. During the year's overlap, it is the NERC which will be given overriding priority, he says.

Campaigners

Those civilian public relations men employed at the Ministry of Defence who went down to the Falklands and then demanded overtime have been getting a lot of stick from government and civil service grandees.

They have now been upstaged by Major General Jeremy Moore, commander of the British Land Forces in the Falklands.

The 54-year-old general who had reached the top of his chosen profession and was expecting retirement shortly is to be kept on for six months as super PR man with the Ministry of Defence.

He is to join a special team set up by chief of defence staff, Admiral of the Fleet Sir Terence Lewin.

The two doughty fighters will spearhead Whitehall's response to urgent calls from service chiefs in many countries to give briefings on British tactics during the Falklands campaign.

The much-maligned ministry men denied yesterday that Moore's real job will be to relate "how we won the war." Rather, they are saying, he will be explaining to service chiefs of other friendly nations the lessons to be drawn from a short sharp campaign in the South Atlantic.

The Pentagon and the staff college in Australia are likely ports of call for the Falklands marketing team.

Dress circle

Good negotiators, it is said, can take the shirt off your back. But the TUC General Council, good negotiators by definition, have developed the fraternal habit of putting shirts on each others' backs.

A group of senior union leaders gathered at TUC's Congress House last week to finalise arrangements for Congress in two weeks' time. The vexed question of allowing non-TUC bodies the right to have stalls on the fringes of conference came up—as it often does—and the consensus of opinion moved—as it always does—against the idea.

Moss Evans, general secretary of the Transport Workers, spoke up strongly, however, in favour of allowing the Taunton Shirt Co-operative to sell its wares. It was, he pointed out, a trade union (his own) backed co-operative which had, through the industry of its workers, managed to save a plant from closure and make a living in a cold world.

Others in the gathering were moved by Evans' intervention. Frank Chapple, the electricians' general secretary, said that while he thought a principle was a principle, he was sympathetic to the idea of workers making a go of it, and if someone came up to him to flog a Taunton Co-op shirt, he would buy it. Quick as a flash, Evans snapped open his briefcase to reveal a selection. A shirt large enough to clothe Chapple's robust frame was found; and £5 changed hands.

In the end, the meeting voted to keep out the Taunton Co-op together with everyone else: TUC publication only will be sold on Congress's hallowed grounds. But anyone wanting a shirt only has to look out for Moss Evans, a well-dressed bloke with a moustache and specs. . . .

Scots' aid

What the Foreign Office hopes will be the first of many a civil helping hand to Third World countries is being extended by Glasgow district council.

Economist Dr Michael Kelly, the city's Lord Provost, announced yesterday that the council is to help Uganda begin the restructuring of public services ruined by Idi Amin's eight-year reign.

James Moffat, a chief accountant in the council's finance department, and Seamus McDaid, a chartered accountant and senior lecturer at Glasgow College of Technology, will go to Kampala later this year to examine what is left of the public finance system and advise on its reorganisation.

They will report to the FO's Overseas Development Administration and the British Council which are sponsoring the operation.

Around the same time, two Ugandan accountants will visit Glasgow to work in various sections of the city's finance department and in one or two other organisations.

The scheme will fulfil a personal ambition that Kelly has held since he became Lord Provost two years ago. "I have been conscious for many years of the desperate need in African and other countries for the pool of knowledge and skills available in cities like Glasgow and for the past two years I have been trying to find a way to apply that knowledge in some practical scheme," he says.

His enterprise has been warmly welcomed by James Aitken, also Glasgow-born, who is the Overseas Development official responsible for co-ordinating and managing British aid to Uganda and Kenya.

"I hope other cities in Scotland will follow the example," Aitken says. "There are so many things in which places like Uganda need help—health care, housing, training in engineering, building roads, bridges and airports, water supply and refuse disposal."

Sixth sense

"The VIth Form driving lessons will begin in September. Three boys and girls will be taken on each lesson, and each will spend 20 minutes driving under instruction and 40 minutes in the back gaining experience"—from a Sussex school magazine.

Observer

PENN SQUARE'S COLLAPSE

The bank that grew too fast

By Paul Taylor, recently in Oklahoma City

THE SLOGAN on the sweat-shirts worn by the Penn Square Bank's women's softball team—which is still playing six weeks after the Oklahoma City bank's ultimate demise — reads "For Braniff Info. check Penn Square Bank."

Mr Bill Patterson, the bank's enigmatic energy loan officer, might in happier days have appreciated the black humour in this reference to the airline's bankruptcy.

But more recently the 33-year-old engineer of the bank's transformation from an insignificant shopping centre bank has had other things on his mind. As he sits somewhat ruefully in his office next to Shelly's Tall Girls Shop.

Together with Mr Bill P. (Beep) Jennings, the bank's chairman and architect of Penn Square's phenomenal growth Mr Patterson has become the focus of an affair which is taxing the abilities of Federal bank regulators, congressional inquirers and the FBI, and has also sent shock waves through America's banking community.

How, the investigators have been asking, was it possible for a bank whose assets had grown from \$34m in 1974 to \$525m last year to slide in less than seven months into insolvency right under the nose of the Office of the Comptroller of the Currency which had had the bank under supposedly close supervision for the past two years?

These investigations are yet to be completed. However they have already thrown up some curious insights into the way the bank was run and the men who controlled it.

Mr Jennings comes from a well respected Oklahoma banking family. He bought Penn Square Bank with a group of associates in 1975. He was determined to expand rapidly by providing funds for the myriad new oil and gas ventures in the booming Mid West state.

He brought to the bank a reputation for being a "good judge of character" and for being "street wise." In oil-rich Oklahoma this means being able to distinguish the old timers from "new oilies"—who are still to be seen around the city sporting gold chains, rig shaped diamond rings and \$1,000 bills.

In 1977 he hired the young Bill Patterson from the competing First National Bank of Oklahoma City. According to others who had worked at the bank Mr Patterson had been an undistinguished junior executive whose principal job was "making goodwill calls to customers thanking them for their business."

Nevertheless some local bankers were surprised to discover that Mr Patterson was to be put in charge of Penn Square's fast growing energy department. Their concerns were expressed by Mr Eldon Beller, recruited by Mr Jennings to become president of Penn Square and solve some of the bank's growing administrative problems in April 1981.

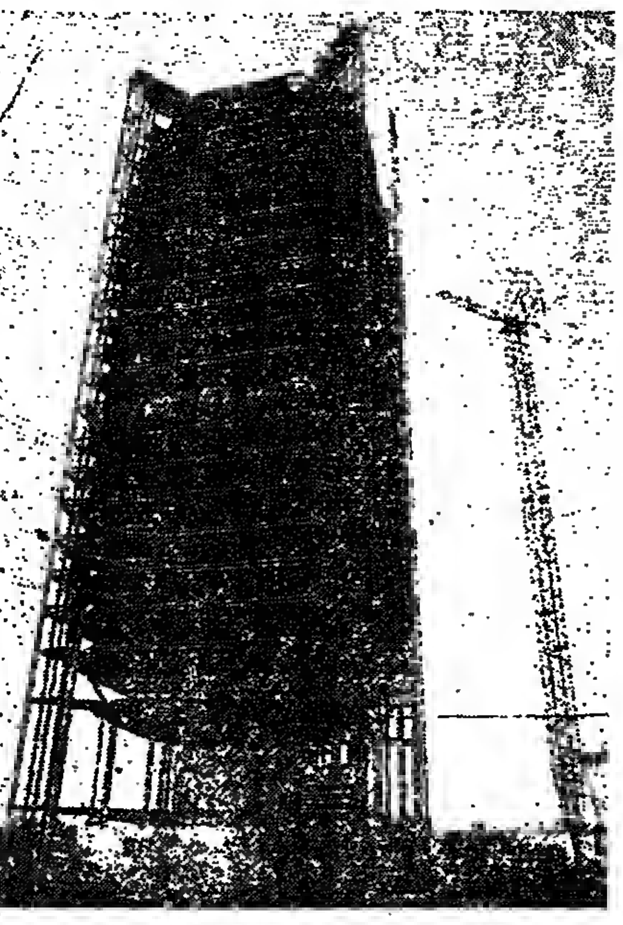
Mr Beller, a well respected banker with a conservative reputation who also came from First National, had himself once refused Mr Bill Patterson's request for greater responsibility. It was therefore probably something of a surprise for him to discover that at Penn Square Mr Patterson was in charge of a department which generated 80 per cent of the bank's loan portfolio. Bill Patterson personally supervised about 70 per cent of the energy loans besides taking charge of the bank's fast developing correspondent banking section.

Mr Beller, who describes the Jennings-Patterson relationship as being "like father and son," told Congressional investigators that the two were "extremely close." He soon discovered that he had little if any control over the activities of the all-important energy loan department or over the energetic Mr Patterson who reported, as Mr Beller did, directly to the chairman.

A typical Penn Square energy loan would go like this: The bank, which under U.S. banking law had a lending limit to any one customer or on any one project of about \$3m, would put up only a fraction of the total loan, maybe \$200,000 out of \$1m, parcelling the remainder out to other banks in the form of participating loans.

To help fund its share of the loans Penn Square offered enticingly high interest rates to investors for certificates of deposit. The bank frequently used money brokers to find new funds and would pay them a commission for doing so.

The advantage to Penn Square of a loan participation agreement was that it would



The partly-built Pennbank Tower in Oklahoma City

receive a "finder's fee" from the participating bank and it also enabled Penn Square to satisfy its customers' requirements despite the bank's relatively low lending limit. The participating loans enabled the correspondent banks—some of whom have already been forced to write off millions of dollars in loans as a result of Penn Square's collapses — to buy energy loans into their portfolios with relative ease. It remains to be seen whether because they were buying through another bank, some of them applied less rigorous tests to the loan collateral—with disastrous results when the crunch came.

Attracted by this approach Continental Illinois bought \$1bn of Penn Square's energy loans, Chase Manhattan bought \$212m and First Seattle bought \$400m.

So prolific was the Penn Square "energy loan supermarket" that the bank became known as "Continental Illinois' loan production office" and the Chicago bank, together with some of the other major correspondent banks, had officers working in the Penn Square headquarters almost all the time.

Bill Patterson's salesmanship did not always work. The American Banker magazine has since reported that one night an officer from Manufacturers Hanover Trust stopped for a drink in a local country and western bar and saw Bill Patterson "drinking liquor out of his shoes." The New York banker was overheard to remark "there's no way we will ever do business with this guy."

Bill Patterson's behaviour was eccentric in other ways too. Fortune Magazine reports that a former Penn Square employee claimed that he once appeared at work dressed in a Tyrolean outfit complete with plumed hat and lederhosen.

He is also said to have adopted other forms of head gear including one one occasion a Micky Mouse mask and on another a Batman mask with ears that "wiggled."

More conservative banks in the state would insist upon heavily discounted proven reserves as collateral for energy loans on speculative ventures. But Penn Square's lending criteria seemed somewhat more lax. For example, many banks would only allow 30 per cent of half a company's proven energy reserves at conservative prices as collateral. But local bankers suggest that in some cases Penn Square was allowing 75 per cent of the gross value of undeveloped wells.

One banker, who was offered participations by Bill Patterson on several occasions, says: "We all knew some of the loans were bad."

The massive increase in energy loans did not go unnoticed by the bank regulators who complained that many of the loans were poorly documented. And Arthur Young and Company the auditors added a qualification to their 1980 report saying that because of poor documentation it was impossible to discover whether the bank was providing sufficient reserves to offset potential losses.

Between September last year and the collapse of the bank on July 5, the bank's loan portfolio grew by \$161m and Bill Patterson sold off another \$1bn in loan participations. The collapse was precipitated when the Comptroller of the Currency discovered that "total loan write offs" of \$49m were more than the bank's equity capital of \$37m.

One explanation for this final burst of lending activity may be that despite the softness of energy prices at the beginning of the year—indeed possibly because of it—Penn Square's oil and gas customers were short of cash and began making additional requests on the bank.

Whatever the reason bank regulators attempting to untangle the mess of loans have discovered that 3,000 of them were "deficient in documentation" and have revealed that of the \$49m in bad loans some \$30m came in after the end of September last year.

House Banking Committee Chairman, Mr Fernand St Germain, said during the hearings that the ripples of the Penn Square collapse had been felt in the boardrooms from Seattle to New York as bankers scrambled to find out just what they had brought home from the Penn Square supermarket in Oklahoma City.

One possibility is that Federal bank regulators failed to recognise until it was too late that Penn Square was not just a shopping centre bank but was, in the words of another congressman, "the Queen of Spades in a house of cards—playing a new game."

It was only a few days before the Comptroller of Currency called in the Federal Deposit Insurance Corporation (FDIC) to liquidate the bank that Mr Jennings finally suspended Bill Patterson.

Many Oklahoma citizens, even some of those who stand to lose money in the crash, say the bank was a friendly one and most doubt whether Bill Patterson would have done anything for personal gain. Those that knew him prefer to believe that he was a high spirited banker whose ego ran away with itself.

Three main factors make the Penn Square bank collapse important. First it is the first time in the FDIC's 48-year history that bank depositors will not be fully covered by the agency's insurance scheme. Some \$250m of the bank's \$436m in deposits will fall outside the FDIC's maximum \$100,000 insurance cover.

Second, the crash has punched serious holes in the profits of some of the major U.S. banks and shaken the whole U.S. banking system.

Third, Penn Square has raised serious doubts not only about the adequacy of existing bank regulations but also about the agencies that administer them.

When the dust has finally settled, one monument to the Penn Square bank collapse will still remain. Across the motorway from the Penn Square shopping centre a new 22-storey block is under construction. It was to have been called Pennbank Tower and would have provided new offices for the bank's booming loan production office.

Lombard

Tories now must face the real electoral issues

By Peter Riddell

THE FALKLANDS SPIRIT is evaporating quickly in Britain. Only two months after the recapture of Port Stanley, all the signs are that the British public is concentrating again on familiar domestic concerns. That must be worrying news for the Conservative Party.

In short, the electorate has become more pessimistic. According to the regular Market and Opinion Research International (Mori) survey, satisfaction with the way the Government is running the country dropped from 51 per cent in June to 42 per cent in July, though the later figure was still greater than that before the Falklands crisis.

Unemployement has again become overwhelmingly the most important issue facing Britain today, according to 68 per cent of the people in the Mori sample last month. That compared with 40 per cent at the height of the Falklands crisis and was similar to the level last winter. Defence and foreign affairs were cited as the most important issue by 26 per cent of voters in May, but were back to the pre-Falklands level of 3 per cent in July.

Pessimists

The electorate has become much gloomier about the economic outlook for the next 12 months. In June, the percentage of optimists was greater than that of pessimists by eight points. By July, the percentage of pessimists was greater by 17.

These figures suggest that the worries expressed by the Confederation of British Industry, the Association of British Chambers of Commerce, Mr James Prior, the Northern Ireland Secretary, and other Tory MPs (let alone Labour and Alliance members) are shared by more of the electorate than agree with the confidence of Sir William Clark, other Conservative loyalist MPs and the Institute of Directors.

A lively political autumn looks likely, not least because of the forthcoming by-election in the highly marginal Tory seat of Birmingham Northfield, which is dominated by the BL Longbridge plant.

So, even if there are no international upsets, strong industrial and political pressures for action to boost the economy are likely. For all the current Treasury desire to dampen talk of an autumn package, my hunch is that the Chancellor will use the opportunity of the revamped and expanded November economic statement to announce, or to indicate the possibility of, help to industry and tax cuts to take effect in the spring.

Falklands

The Falklands factor has not, however, totally disappeared. The surveys suggest that the electorate took rather a detached view of the episode, strongly supporting the Government's action as right and necessary when it occurred, but afterwards putting the Falklands in perspective in relation to other, more immediate problems. Nevertheless, the Mori survey suggests that Mrs Thatcher's standing has risen sharply, and that of Mr Michael Foot, the Labour Party leader, has plummeted, as a result of the crisis. These trends could have a lasting effect.

The polls so far indicate only a slight drop, at most, in the position of the Tories, who are still near the level of the May, 1979, election. Labour is struggling to rise above 30 per cent and the Alliance is languishing in the low-to-mid 20s, hoping for a leg-up from the Gower by-election.

These ratings have proved volatile in the last two years, though the Tories can console themselves with the fact that just over half the electorate thinks that there will be an overall Conservative majority after the next election. Only 11 per cent—including barely a quarter of Labour voters—think there will be an overall Labour majority.

Letters to the Editor

Employee participation and the Common Market

From Jane Welch

Sir,—Neil Hamilton (August 6) should know better than to seek to justify opposition to employee participation by selective quotations from the Treaty of Rome and the case law of the Court of Justice.

He argues that "peripheral" matters such as the harmonisation of social legislation are outside the competence of the Community on the grounds that the objectives of the EEC are narrowly defined in Article 2 of the treaty as the establishment of a common market and approximation of economic policies. Social affairs, in his view, cannot be regarded as directly affecting the common market.

In fact, it would be hard to devise a more general statement of objectives than: "The Community shall have as its task, by establishing a common market and progressively approximating the economic policies of member states, to promote throughout the Community a harmonious development of economic activities, a continuous and balanced expansion, an increase in stability, an accelerated raising of the standard of living and closer relations between the states belonging to it."

The establishment of a common market in itself is a vast undertaking. It involves the free movement of goods, services, persons, capital and the right of establishment. The last does not simply mean the abolition of nationality-based restrictions, but also the harmonisation of domestic requirements to ensure the effective exercise of the right of establishment. The first has been achieved; the need for the second remains. In simple terms harmonisation can be seen as the quid pro quo for freedom of establishment. When the treaty was drafted, the member states were only prepared to abolish the restrictions they traditionally imposed on foreign companies if they had a guarantee that these companies would be made to comply with minimum standards in respect of shareholders, employees and creditors.

There is really little point in 1982 in trying to pursue the sterile argument that the Community has no competence in the area of social legislation, when there is a large body of legislation and case law illustrating precisely the opposite. The Court of Justice stated unequivocally in 1975 that the Community "is not merely an economic union, but is at the same time intended, by common action, to ensure social progress and seek the constant improvement of the living and working conditions of their peoples, as is emphasised by the preamble to the Treaty." The Court stressed the existence of a chapter of the treaty devoted to social policy "whose preliminary provision Article 117 marks the need to promote improved working conditions and an improved standard of living for workers, so as to make possible their harmonisation while the improvement is being maintained." The scope of Article 117 may explain why there is no reference to harmonisation in Article 118, which Mr Hamilton seems to regard as an argument in his favour.

Nor is the relevance of the passage from the judgment in Cases 188-190 cited by Mr Hamilton immediately apparent. We are not concerned with the competence of the Commission to adopt directives itself (which was the issue at stake there and one which was, incidentally, decided in favour of the Commission) but with the power of the Commission to propose and of the Council to dispose. Neither are in doubt. The real issue is whether the fifth directive and the Vredeling directive in their present form will contribute to an improvement in working conditions and industrial relations in the UK. Because of its misplaced preoccupation with legislative competence, the Institute of Directors has done itself a disservice by diverting attention from the main problem.

Jane Welch
(Senior Research Fellow),
Institute of Advance Legal Studies,
17, Russell Square, WC1

Disturbed by forecasts

From the Chairman, North West Region, Confederation of British Industry

Sir,—Mr John Wakeham, Minister of State for the Treasury with special responsibility for industrial matters is understandably disturbed (August 20) by the economic forecasts of the CBI.

The reason is that these forecasts have been shown to be the most reliable indicators of our national economic health and they refute the statements of Government Ministers that our economy is on the mend.

Sir Terence Beckett is right to publish the information as it is factually assessed and not colour the results to please anybody.

No wonder, as Mr Wakeham says, our manufacturing sector is shrinking and becoming less important. This is because government has persisted for too long with high interest rates, high value of sterling, high government-induced costs to industry and high government spending and given private industry a burden that has often been too great to bear.

Most CBI members believe that a healthy manufacturing sector is crucial to Britain to allow us to reverse the adverse trade in the balance of payments. Oil revenue apart, we export too little and import too much.

Industry needs government policies to help in this battle and not criticism, and this help is required now before the situation deteriorates further.

John Tavare.
Emerson House, Albert Street, Eccles, Manchester.

Agreements on biotechnology

From Mr S. Alderson

Sir,—The present agreements, criticised by the Commons Select Committee on Education, Science and the Arts in its recent report on biotechnology, whereby the Medical Research Council (MRC) grants first option in the rights of commercial exploitation of patents produced by MRC staff to the British biotechnology company Celltech (a "monopoly position"), and the British Technology Group retains a monopoly right to the first refusal of patent rights arising out of work supported by the research councils, seem clear cases for referral to the Director General of Fair Trading under his powers under the Competition Act relating to "anti-competitive practices," which are courses of conduct that tend to restrict, distort or prevent competition.

In particular, what are the royalties awarded to MRC (and other research councils) inventors in their products, and would they and the MRC (and other research councils) fare better with other companies on a competitive basis both in financial and other terms? What patent rights do universities (and their staff) retain when undertaking research work partly or wholly supported on research council grants?

Stanley Alderson
7 Highfield Avenue, Cambridge

Help for small businesses

From Mr B. Baboulène

Sir,—Most of what one has read in the last year or two about helping the small business savours very much of offering a straw to a drowning man. There are two simple measures required to save hundreds of bankruptcies, with a clear net gain to the Revenue.

A Corporation Tax analogue to the personal allowance in private tax. At the moment the tax incentive in a good year is to go out and buy a Rolls-Royce with a personalised number-plate, have coloured lights and fountains playing and what-have-you rather than keep the profits in the business and have them available for a rainy day, expansion, additional employment, or (taxable) Case III income. So when the firm has a bad year, or wishes to expand, it is driven into the bank and incurs a heavy interest burden, because it has no appreciable reserves of its own. If it is borrowing to survive it is probably only staving off the evil day. All this benefits, not the firm, and not the Revenue, but the banks and/or the insolvency accounting firms. The cost of the proposed allowance (£2,000? £5,000?) made to companies which do not need it, would be amply recouped by the survival and expansion of many more small businesses and the tax they would continue to pay and by saving social security payments to the many bosses and their employees otherwise fetching up in the dole queue.

Legislation to encourage prompt payment of bills. Large firms on whom the small ones are dependent arbitrarily and unilaterally extend the credit they are entitled to three or four times over, and there is nothing the small firm can do about it. It is easy to argue that statutory penal interest for non-payment beyond (say) 28 days would be widely ignored and that no one would go to law merely for the interest, but legislation would create "a climate of opinion" against running one's business on other people's money.

I suggest that these two measures would do much more to save small businesses, many of them exporters, not merely at zero cost but at a positive gain to the Government, than would expedients which seem calculated to put them further into debt. Moreover, the first measure would erode the "black economy" by encouraging small businesses to incorporate.

Bernard L. Baboulène,
10 Richmond Avenue, SW20.

UK COMPANY NEWS

Mountleigh expands to £0.65m and pays more

HIGHER pre-tax profits are shown by **Mountleigh Group** from £378,000 to £647,000 for the year to April 30, 1982. Total income of this property investor and developer moved ahead from £5.06m to £6.65m.

Mr E. Hall, chairman, says that he expects group profits to improve again in 1982/83. The company continues to benefit from its significant presence in Aberdeen, and progress in the London developments is most encouraging.

The directors state that the phasing out of textile activities was adversely affected by the failure of the company acquiring these interests. This resulted in further losses which would not have been foreseen at the time of the last annual report.

Pre-tax profits were made up of property developments plus rentals which rose from £565,000 to £703,000. There were exceptional debits relating to the worsted division of £56,000 (£59,000) and manufacturing losses last time of £128,000. Worsted manufacturing activities ceased in June 1981.

There was again no tax charge. Extraordinary debits this time amounted to £93,000.

The final net dividend of 3p increases the total from 3.5p to 4p. Earnings per 25p share are given as rising from 9.42p to 16.15p.

Shareholders' funds have increased to more than 170p per share.

Mr Hall stated then that the policy of concentrating the major part of efforts in areas least affected by the recession was enabling the company to continue its development programme expansion. He was confident that profits from these activities would be "more than satisfactory."

CHAMBERLAIN

In view of the current state of the economy the first quarter results of **Chamberlain Phipps** were satisfactory Mr Frank Chamberlain, chairman, told shareholders at the annual meeting.

He therefore remained hopeful of reporting, in November, an acceptable profit for the first half year, he said.

Hollis Bros £4.58m in loss year end

AFTER TAKING account of lower interest charges of £1.55m, compared with £2.16m, full year losses of **Hollis Bros.** and ESA were slightly reduced, the pre-tax figure emerging at £4.58m, against £4.82m previously.

Turnover for the 12 months to March 31 1982 dropped sharply from £45.89m to £31.81m—the group is a holding company with interests in timber importing, sawmilling and flooring contracting. It also manufactures woodworking, plastic moulding and educational equipment.

First-half losses expanded from last time's £1.37m to £2.5m. In his interim report new chairman Mr R. J. Rimington said that the reduction in the size of the group and the curtailing of operating costs suggested that trading over the second six months would result in a much-reduced loss. He added that the projection was there "would be a return to profitability, albeit small, in 1982-83."

In his annual statement accompanying the full year figures Mr Rimington says it is too early to forecast the outcome for the current trading year but comments that with the reduction of operating expenses, the reduction of manning levels and the scaling down of group activities a position of stability has been reached.

He warns, however, that the group's gearing remains at an "unacceptably high level" and adds that although the forecast of a return to profitability in 1982-83 is unlikely to come about within that time limit." There are now grounds for suggesting that the group has seen the worst and that there are encouraging signs for the future."

There is again no ordinary dividend for the year under review and no preference dividend is being paid for the half year to end-March 1982—the last ordinary payment was 1.4p net for 1979-80.

There was a tax credit this time of £2,409 (£717,131) and extraordinary debits of £1.53m, compared with £1.09m. These included costs associated with closures and the relocation of business amounting to £1.27m (£878,590) and special depreciation in respect of fixed assets of £188,176 (£222,429).

● comment

The most depressing aspect of Hollis' figures is that despite a reduction of over 30 per cent in turnover, trading losses increased by a quater to £2.7m. Distress selling was part of the problem, but it is clear that the short term damage caused by continued root and branch restructuring was greater than is measured by extraordinary debits of £1.5m. The past two years have produced attributable losses of £11m, and with reserves being eroded far more quickly than borrowings, capital gearing is now well over 200 per cent, and it is not surprising that Hollis is "in constant liaison with the bank." At 11p down a penny capitalised at £1m, the only consolation for the several institutions who have taken stakes—most noticeably Industrial Equity (Pacific) with 19.6 per cent—is that six weeks ago the shares were languishing at 6p. The chairman's interim forecast that profits would return in 1982-83 has now been abandoned, and the company will now only say that it is "travelling hopefully." It is better to travel hopefully than to depart.

William Nash returns to profits

A return to pre-tax profits has been produced by **William Nash**, specialist paper maker, for the first 25 weeks to June 28 1982. The surplus stands at £169,000 compared with previous losses of £87,000. Turnover improved from £4.54m to £5.23m.

The directors of this close company state that the second quarter showed an upturn in trading which, however, is not expected to be maintained in the second half.

In the last full year group losses before tax amounted to £168,888 (profit £100,681) on turnover of £9.55m (£12m). The directors pointed out then that Cray Valley Mill had made a loss of £295,561, although Horton Kirby contributed profits of £126,673.

Tax for the 25 weeks took £20,000 (nil). There was an extraordinary credit of £15,000, compared with previous debits of £88,000.

On a current cost basis attributable profits were given as £57,000 (loss £825,000).

INCHCAPE BERHAD

The directors of Inchcape subsidiary **Inchcape Berhad** have announced that approval by the relevant government authorities in Malaysia has been obtained for the sale of all its shareholdings in Assembly Services, Automotive Industries, Borneo Motors (Malaysia) and N.B.T. (Sarawak).

Isis Industrial Services exceeds placing forecast by £41,000

UNQUOTED ENGINEERING group **Isis Industrial Services** has exceeded by £41,000 its forecast—made in January at the time of its placing on the market made by M. J. H. Nightingale—of pre-tax profits of £600,000 in the year to March 31, 1982. Turnover came to £25.66m.

Mr Lamont Park, chairman, says that in the current year Isis Construction will expand its repairs and maintenance business, and Wessex Guild, the architectural metalwork subsidiary, intends to increase its activities in the Middle East. The group will close a number of plant hire depots and dispose of the surplus fleet so that the businesses are brought to their most efficient operational levels.

Isis International has been formed to procure building materials for overseas markets and it is anticipated that profits will benefit accordingly.

During the year under review construction and related activities achieved record results, Mr Park says, showing pre-tax profits of £703,000 on turnover of £12m. All aspects of the business performed well, especially the fixed income term maintenance division. Wessex Guild also had an outstanding year, he says.

The plant hire and sales businesses showed mixed results in a difficult year for the industry and overall showed a loss of £203,000. Hopes of a recovery in the spring of 1982 when an increased level of activity was seen have not been maintained in recent months.

The Greenham Fork Lift business acquired on December 31 is now fully integrated with the group's fork lift activities and an improved performance is hoped for this year, Mr Park says. The pneumatics business maintained profitability in spite of poor market conditions.

Isis is a holding company which acquired a group of companies from United Dominions Trust on December 31, 1981, for £5.8m. The purchase consideration and related expenses were financed by a £3.3m term loan from Lloyds Bank, a placing of £2.4m convertible preference shares with 12 leading institutions and an issue of £200,000 ordinary shares to the executive directors.

The first dividend was paid to convertible preference shareholders on July 1, 1982, amounting to £132,000 net, or 5.5p per share.

No dividends will be paid on ordinary shares in respect of any financial year ending on or before March 31, 1984.

LRC Intnl. ahead: year of real growth expected

Sir Edward Howard, the chairman of LRC International, tells members in his annual statement that the first quarter of the current year has started well with both sales and profits ahead of those for the previous year.

With the group continuing to benefit from the glove rationalisation and with a full year's trading from Napcolour and Feminique, both purchased during the past year, he says real growth is expected in both group sales and profits during the current year.

The management's highest priority will be to continue to improve the group's financial strength as a cornerstone for new growth. With a base of effective controls and systems in hand, they have now focused attention on three objectives:

Defining and implementing formal plans which include sound competitive business strategies for each operating unit; searching for acquisitions which build on existing business and management capabilities; and improving the professionalism of the organisation through management programmes.

A business planning system is now in place which will provide the basis for evaluating the adequacy of annual operating and capital budgets.

Sir Edward says the acquisition of Napcolour (purchased from the Charterhouse Group in January this year for some £4.5m) provided the group with the opportunity to build a stronger competitive position in the growing UK photo-processing industry. He adds that the business is especially promising because it is one of the few consumer sectors in the UK currently experiencing real growth.

With the purchase, the group aims to have a chain of the most modern and best equipped photographic laboratories throughout the country.

Feminique, which manufactures a range of feminine hygene products in the U.S., was acquired in May this year for around £600,000.

Sir Edward reveals that the Monopolies Commission investigation into prices of contraceptive sheaths announced last October is progressing and that its report is expected shortly. LRC International has about 90 per cent of the £16m-a-year market for contraceptive sheaths.

As reported on July 6, the group returned record pre-tax profits of £9.01m (£7.03m) for the year to March 31, 1982, with the second half contribution emerging well ahead at £5.18m, compared with last time's £3.61m. The second half gained from productivity improvements and a strong performance from European and North American products and the industrial holding division. Full year turnover rose from £113.92m to £118.44m.

The annual meeting will be held at the Howard Hotel, London, on September 16 at noon.

RECEIVERS FOR W. WRIGHT

At the directors' request, Mr A. M. Homan and Mr C. G. Bird, partners in Price Waterhouse, have been appointed joint receivers and managers of **W. Wright and Sons (Sutton in Ashfield)** and **W. Wright (Plant Hire)**.

W. Wright and Sons is engaged in local authority and small works contracting mainly in the Nottinghamshire and Derbyshire areas, while W. Wright (Plant Hire) engages in constructing plant hire operations, in the same area.

Demand up during first two months at Unitech

THE CURRENT year has started well at **Unitech**, says Mr P. A. M. Curry, chairman, in his annual statement. Demand in the first two months was ahead of last year, and the directors expect to report growth in sales and profits for the group.

As reported on August 4, this electronic components and equipment manufacturer, made lower taxable profits in the year to May 29, 1982 of £3.78m compared with £4.27m, even though sales advanced from £86.96m to £89.42m.

Stated earnings per 10p share dropped from 17p to 10.8p, while the year's dividend is being raised from 7p net to 7.7p with a final of 4.9p.

At the year end shareholders funds came to £25.14m (£24.36m) and fixed assets were shown at £9.06m (£7.6m). Net current assets emerged at £15.83m (£15.63m) including bank overdrafts of £8.95m (£8.27m). Loans payable amounted to £4.88m (£2.02m).

During the year there was a decrease in working capital of £1.43m (£307,000) including a decrease in net liquid funds of £2.37m (£1.73m increase).

Meeting: Great Eastern Hotel, EC, September 17, noon.

Confidence at Mitchell Somers

Despite the recession in the U.S. and there being no sign of the predicted recovery in the UK, the directors of **Mitchell Somers** are confident that the group's "dedicated team" will continue its efforts to make the shareholders' assets work profitably, Mr L. J. Thomas, chairman, says in his annual statement.

As reported on July 14, this group whose activities include heavy forging, precision engineering, diecasting and distribution, boosted taxable profits from £488,000 to £2.23m in the year to April 3 1982, on turnover of £38.2m (£29.93m).

The net total dividend per 10p share is being raised from 2.25p to 3.25p with a final of 1.75p, while stated earnings per share jumped from 2.9p to 9.8p.

At the year end shareholders' funds stood at £15.51m (£14.49m) and loans totalled £2.02m (£2.79m). Fixed assets were valued at £9.77m (£9.31m) and net current assets came to £6.3m (£6.47m).

Meeting: Painters' Hall, EC, September 16, noon.

May & Hassell foresees end to losses

Turnover at timber importer **May & Hassell**, which in July was said to be running 25 per cent higher than in the previous year, has now started to level out, Mr P. J. Atley, chairman, told the company's AGM.

This was partly because April and May of 1981 were such poor months, "though the rest of the year sees us with a good order book," he added.

"I do not wish to be over-confident, bearing in mind the unpredictable events of last year. I do feel, however, that the year we are in should see the elimination of the losses which bedevilled us for the last two years," he said.

Global Video Supplies in receivership

Joint receivers have been appointed to **Global Video Supplies** at the request of its directors. Global is the video wholesaling subsidiary of United Electronic Holdings (UEH).

The receivers, Mr Ian Bond and Mr Alan Barret of accountants Deloitte, Haskins and Sells, will be considering a possible management buy-out together with the sale of the businesses as a going concern to other parties.

UEH's investment in Global consists of £82,500 in respect of share capital and outstanding loans of £380,000 for which there may have to be some provision. The UEH directors are satisfied that the group's overall financial position remains secure and that the company is on course to achieve better results in the current year than in 1981-82.

ALLIED IRISH CONVERSION

Allied Irish Banks says that in the sixth conversion period ended July 31, 1982, 385 holders of stock exercised the right to convert holdings totalling I£261,616 of 10 per cent convertible unsecured subordinated loan stock 1985 into fully paid ordinary shares of 25p of the company.

The number of ordinary shares of 25p arising from this conversion is 325,711.

Blagden Industries increases interim profits to £1.03m

INCREASED pre-tax profits have been made by **Blagden Industries** from £928,000 to £1.03m for the 26 weeks to June 27, 1982. Turnover of this maker of steel drums and plastic products, formerly known as Blagden and Noakes (Holdings), moved ahead from £28.99m to £31.67m.

Mr A. R. Sparrow, the chairman says the recession continues to restrict earnings, and while a slight upturn in business was experienced during the half year he says this was not maintained and signs of a further recovery are awaited.

In the circumstances he says the container division performed well as did the industrial protective equipment division. Problems at the steel drum reconditioning plant in Hamburg continued and the local management's confidence in a return to profits did not materialise.

A decision on the future of the Hamburg operation appears imminent. Losses for the half-year were about £50,000.

Closure would probably mean an extraordinary debit of between £150,000 and £200,000 in group results for the current financial year.

Question-marks also hang over the future of the group's cooperage operations in Scotland

On the trading front the directors are making no forecast for the remainder of the financial year for the group as a whole but with prospects generally unlikely to be any better than those for the interim period, best hopes will be for full-year profits a little up on the previous year's total.

A breakdown of trading profits (£1.38m, against £1.22m) by division shows: manufactured and reconditioned drum and casks £972,000 (£853,000); plastics mouldings, plating and transformers £77,000 (£23,000); chemicals £167,000 (£219,000); industrial protective equipment £139,000 (£121,000).

The net interim dividend is held at 3p per 25p share.

Tax this time took £390,000 (£204,000) and minorities £195,000 (£215,000). Earnings per share were given as slipping from 4.8p to 4.2p.

● comment

Blagden's second half will be no better than the first and the turning point, hinted at more than once over the past year or so, looks more remote than ever. But then Blagden can hardly break away from the fortunes of a depressed European chemicals sector all on its own. At least profits are holding around the £2m mark and the balance sheet is not deteriorating. Price increases have helped drum profits to inch ahead despite £100,000 of losses from cooperage in Scotland though chemical manufacturing remains difficult because of depressed selling prices. Yet even that is better than plastics mouldings—once seen as the escape route for earnings away from a mature drum market—where margins can only be described as pathetic. Still if Blagden can overcome the dependence on the motor industry they might improve. The first half has been fairly quiet in terms of cost cutting but there appears to be a question mark over the future of the reconditioning plant at Hamburg which is again making losses. Also the £100,000 loss from cooperage begs the question of whether Blagden can afford to keep two plants going. At 96p the shares yield 9.2 per cent while the prospective earnings ratio is around 11.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Blagden Inds. .... int.	3	Oct. 4	3	—	6
Lon. & St. Lawrence int.	0.77§	—	—	—	0.7
Mountleigh Gp.	3	Nov. 1	2.5	4	3.5
W. N. Sharpe Hldgs. int.	4	Oct. 22	3.5	—	8
Worthington (A. J.) ...	0.38	—	0.49	0.76	0.9

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM Stock. § Interim in lieu of final for year to August 31 1982. No further dividend will be declared or the year.

MINING NEWS

Tin export curbs force MMC dredge closures

BY KENNETH MARSTON, MINING EDITOR

IN mid-June the Saturday mining column warned of the possibility of severe curbs being placed on world tin production by the International Tin Agreement and of the adverse impact that this would have on the Far Eastern tin mines. That warning is now borne out.

Malaysia's biggest tin mining group, Malaysia Mining Corporation (MMC), has announced that it is having to shut down 12 of its 38 dredges as a result of the export controls now in force and the depressed price of the metal, reports Wong Sulong from Kuala Lumpur.

MMC said that the dredges would remain closed until there was a "significant improvement" in the industry. This could take a good two to three years in view of the fact that there is now a huge surplus of an estimated 65,000 tonnes of tin on the world markets; production last year totalled 202,000 tonnes while demand amounted to 188,000 tonnes.

Although the International Tin Council has imposed a 36 per cent cutback in exports for the July-September quarter, a percentage that is likely to be maintained for the next 12 months, the production quotas in Malaysia are worked out in such a way that the more efficient and cash-rich dredging companies take the main burden.

They are given quotas amounting to as much as a 50 per cent cutback in their normal production, while other forms of mining, such as gravel pumps and lode, get better quotas. Aboriginal and Dulang washing operations are not given any quotas at all.

MMC, which accounts for 25 per cent of Malaysia's tin output of 59,000 tonnes last year, said that four of its subsidiaries—Bidor Malaya Tin, Lower Perak, Southern Kinta and Southern Malayan—will close down seven dredges.

MMC's associate companies—Berjuntai, Ayer Hitam and Tronoh Mines—will shut down five dredges, with Berjuntai closing three of its eight units.

MMC said its subsidiaries had been allocated a production quota of 1,028 tonnes of tin concentrates for the July-September quarter, which is a 7.1 per cent cutback over normal production.

Berjuntai was given an allocation of 463 tonnes, Ayer Hitam 210 tonnes and Tronoh Mines 71 tonnes, representing cutbacks of 44 per cent, 33 per cent and 50.6 per cent respectively.

Another MMC subsidiary, Kramat Tin, was allocated 37 tonnes, representing a 48 per cent reduction. However, it will not close down its only dredge as it hopes to utilise some of the quotas available from the other MMC units that will close.

MMC is 56 per cent-owned by Permodalan Nasional, the Malaysian Government investment agency, while London's Charter Consolidated owns 14 per cent. Charter has now secured control of the South Crofty tin mine in Cornwall which is not affected by production controls because the UK is a consumer member of the International Tin Agreement as opposed to a producer member.

A Primary Industries Ministry official has estimated that as many as 5,000 out of the 35,000 jobs in the country's tin mining industry could be lost this year as a result of production cutbacks. Most of these would come from the small gravel pump mines since as many as 150 out of the existing 500 are expected to cease operations.

The cutbacks have also hit Malaysia's tin smelters, Datuk Keramat and Malaysia Smelting Corporation (MSC), which are finding difficulty in getting sufficient tin ore for smelting.

Datuk Keramat recently retrenched 150 workers and is operating on three of its five furnaces. The situation in MSC is slightly less pressing since it is getting all of the output of MMC which has a 40 per cent stake in MSC.

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News from the Philippines

NET INCOME of Apex Mining, a medium-size Philippine gold producer, slumped by 80 per cent to pesos 1.39m (£97,600) in the first half of this year from pesos 6.95m

Gold sales revenue dropped by 10 per cent, reports Leo Gonzaga from Manila. Although mine operating costs went down by nine per cent Apex shouldered a heavier interest

However, the company did better than three other mining firms: Lepanto Consolidated Mining and Marcopper Mining, which moved to a net loss in this year's first half, and Marinduque Mining and Industrial which reported a doubled net loss.

Meanwhile, the state-owned Development Bank of the Philippines (DBP), has announced that it might ask six bank creditors of Sabena Mining to help in efforts to rehabilitate this ailing copper-gold producer.

Mary Kathleen boosts six months earnings

HAVING a final fling as it nears the end of its mining life, the Rio Tinto-Zinc group's Australian Mary Kathleen Uranium has boosted half-year earnings to A$4.97m (£2.79m) from A$1.72m in the same period of 1981 when the full year's total came out at only A$1.74m.

However, it is pointed out that but for abnormal items and tax adjustments the net profit for the first half of last year would have come out at A$7.46m. No interim dividend is being declared, but it is expected that there will be a dividend declaration at the end of this year.

The latest better than expected earnings reflect a combination of increased deliveries of uranium oxide, record production, a favourable Australian dollar/U.S. dollar exchange rate and higher interest income from roughly A$30m of money market investments.

Production for the past half year was a record 505 tonnes of yellowcake. The directors attribute it to a concerted effort by the workforce, a period of lower industrial disruption allied with a high level of plant performance.

The mine has continued to stockpile output to meet contract commitments for 1983 and 1984. It is now planning for mining to cease by mid-October, a two-week extension on its expectations in February, while the treatment plant will shut a month earlier at the end of November.

Mary Kathleen expects second-half earnings to be lower than those for the first six months because of a reduced level of shipments. There is also considerable uncertainty about the eventual cost of rehabilitation of the mine site.

Midway downturn for W. Sharpe

FIRST HALF taxable profits of W. N. Sharpe Holdings declined marginally from last time's £2.61m to £2.46m, but with stated earnings per 25p share emerging 2.3p higher at 19.6p the net interim dividend is being increased to 4p, compared with 3.5p previously.

Turnover for the period, covering the six months to June 30, 1982, edged ahead from £7.58m to £7.92m, but at the trading level the surplus came through lower at £1.97m, against £2.24m — the group manufactures and publishes greetings cards.

In a statement accompanying the half year figures the directors say there are no indications of any dramatic change in the second six months when they say the seasonal Christmas trade is a dominant factor for the group.

They add that since the slow beginning to the year's trading, referred to in the last annual report, the group has had some success in stimulating sales growth in generally rather lethargic market conditions.

They point out that increased turnover has been achieved in those of the group's products which are less, though still adequately, profitable although this has entailed some sacrifice of overall profit margins.

For the 1981 year the group returned taxable profits of £5.74m (£5.12m) and paid a final dividend of 4.5p. Turnover amounted to £15.57m (£14.58m).

First half pre-tax profits on a CCA basis totalled £1.93m (£2.16m).

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims—American Trust, Bairstow Eves, Charterhouse Petroleum, De Beers Consolidated Mines, Fairclough Construction, Hongkong and Shanghai Banking, London and Scottish Marine Oil

Finals—Apex Properties, McKay Securities.

FUTURE DATES

Interims:—

Blackwood Hodge	Sept 9
Carlton Industries	Sept 10
Cement-Roadstone	Sept 9
Erith	Oct 6
Harrison Cowley	Sept 23
Henriques (Arthur)	Oct 1
Home Counties Newspapers	Sept 10
Memec (Memory and Electronic Components)	†Sept 23
Phoenix Assurance	Sept 1
Spear and Jackson Intnl	Sept 22

Finals:—

Hobilat Mothercare	Sept 6
Melamed Jentique	Oct 12
Ricardo Consulting Engineers	Sept 7

†Corrected.

GMS improves by 17.4% after first six months

FOR THE six months to June 30 1982, profits at GMS rose by 17.4 per cent to £147,006 on turnover £700,781 higher at £5.6m, a rise of 14.3 per cent.

Mr G. W. Revill, chairman, says that turnover increased in all sections of the business, apart from potatoes, where the tonnage sold decreased sharply. This was due to a change of policy aimed at concentrating sales on pre-packed potatoes and ware potatoes to retail customers at Cheltenham and selling fewer bulk loads to the wholesale trade.

Produce division sales increased from £4.1m to £4.7m in the six months and the requisites division increased from £800,000 to £900,000.

Considering the extremely bad winter Mr Revill says these results are "excellent." Although the winter increased produce prices substantially he points out that it also increased the cost of operating the business during a time when produce was in short supply.

As usual, says Mr Revill, the weather is the dominant factor in the company's industry.

"After the bad winter," he says, "we had a very dry end of March to May, a wet June and one of the driest July's on record." This ideal planting and growing weather is already having an effect on trade with produce of all types in heavy supply and prices low, he states.

AUTOMATED SECURITY

Automated Security, the alarm rental company has received acceptances totalling 95 per cent of the 4.474m shares offered at 180p last month. The £8.2m rights issue was undertaken in order to provide long-term funds to assist in the planned expansion programme, and to enable Automated to take advantage of acquisition opportunities.

Worthington holds loss at £95,000

Same-again taxable losses of £95,000 were returned by A. J. Worthington (Holdings) for the year ended March 31, 1982, although turnover showed an improvement from £2.48m to £3.04m.

The dividend is being reduced to 0.76p (0.9p) per 10p share by a lower final payment of 0.38p (0.49p).

The loss was struck after taking account of higher interest charges of £58,000, against £47,000.

There was a tax credit of £44,000 (£54,000) — last year there were also extraordinary credits of £105,000.

The group slipped £7,000 into the red at the midway stage, although a surplus of £17,000 for the comparable period included £20,000 of exceptional profits.

The group, based in Staffordshire, manufactures sewing threads, narrow textile fabrics and knitwear.

Reject rebel proposals—Alliance & Dublin Gas

SHAREHOLDERS of Alliance and Dublin Consumers Gas Company are being urged to reject resolutions put up by a rebel group of shareholders to remove five of the eight directors — including chairman Mr Vincent Ferguson — and appoint six new directors at an EGM on September 10.

In a letter to shareholders Mr Ferguson calls for a decisive vote against the group, headed by Mr Donal Kinsella, and argues that gas projects are "recipes for disaster."

Shareholders will be asked to approve the natural gas project at a special extraordinary general meeting later this year. The project involves a major refinancing. Of a total requirement of I£70m, I£60m would be raised through secured bank loans and I£10m through convertible preference shares.

As part of the refinancing the state would receive I£16m of new shares in return for reducing the price of natural gas. The project would mean the immediate restoration of a dividend and a strong prospect of increasing dividends, Mr Ferguson says.

RESULTS IN BRIEF

CAVENHAM (food retailer) — Results for year to April 3 1982 already known. Shareholders' funds £175.24m (£157.33m): fixed assets £106.80m (£85.76m): excess of net realisation proceeds of Allied Suppliers £32.97m (nil): GO Group Securities £135.34m (£141.82m) other non-current assets £8.37m (£14.48m): current assets £149.85m (£135.15m). Ultimate holding company is Generale Occidentale Meeting: Cavenham House Hayes Middlesex, on September 23 at 11 am.

P.H. Industrials (formerly manufacture and shopfitting)—Results for the 16 months ending April 30 1982, reported July 30. Shareholders' funds £609,849 (£414,916 at December 31 1980). Net current liabilities £22,543 (£161,419 assets). Accounts show compensation for loss of office £15,000 (nil). Meeting: 14-16 Regent Street, SW, September 21, noon.

AILSA INVESTMENT TRUST—Results for year to May 31 1982 already known. Total portfolio investments £27.91m (£15.21m) including outside Great Britain £12.81m (£1.11m). Net current assets £298,557 (£126,731). Shareholders' funds £28.21m (£15.34m). Payments to former directors £20,000 (nil). Meeting: Gerard House, 31 Gresham Street, EC, September 15, noon.

EUROPEAN OPTIONS EXCHANGE

Series		Nov. Vol.	Nov. Last	Feb. Vol.	Feb. Last	May Vol.	May Last	Stock
GOLD C	$300	11	97 B	—	—	—	—	$389
GOLD C	$325	—	12	2	85 B	—	—	"
GOLD C	$350	63	65	63	64 B	—	—	"
GOLD C	$375	155	$4.90	30	49 B	—	—	"
GOLD C	$400	307	25	—	—	—	—	"
GOLD P	$300	480	2.50	—	—	—	—	"
GOLD P	$325	86	5.90	19	8	—	—	"
GOLD P	$350	122	9	43	15 A	—	—	"
GOLD P	$375	49	16	35	21 A	—	—	"
GOLD P	$400	25	25	—	—	—	—	"
12¼ NL 81 87-91								
C	F.110	14	3.70	—	—	—	—	F.115.10
C	F.112.50	—	—	5	2.80	—	—	"
C	F.115	122	1	—	—	—	—	"
P	F.115	21	3	—	—	—	—	"
10½ NL 80 86-95								
C	F.100	54	5.80	—	—	—	—	F.103.30
C	F.102.50	40	2.20	—	—	—	—	"
C	F105	—	—	5	1.30	—	—	"
11½ NL 82 88-92								
C	F102.50	10	3	—	—	—	—	F.104.6
10 NL 82 86-89								
C	F.100	12	1.50	—	—	—	—	F.100.20
10½ NL 82 86-89								
C	F.100	35	2	—	—	—	—	F.101.40
C	F.102.50	45	0.70	—	—	100	1.50	"
		Oct.		Jan.		April		
ABN C	F.260	27	2.60	—	—	—	—	F.246.50
ABN C	F.280	20	1	6	1.60	—	—	"
ABN C	F.300	6	0.40	—	—	—	—	"
ABN P	F.260	—	—	13	16.60	—	—	"
AKZO C	F.25	63	1.10	30	2	20	2.60	F.25.20
AKZO C	F.27.50	75	0.40	40	1 A	70	1.40	"
AKZO P	F.25	10	0.60	—	—	—	—	"
AKZO P	F.27.50	—	—	—	—	50	2.50	"
AMRO C	F.40	—	—	—	—	11	2.40	F.38.20
AMRO C	F.45	20	0.20	—	—	—	—	"
AMRO P	F.35	—	—	5	1.50	—	—	"
AMRO P	F.40	—	—	10	4	—	—	"
AMRO P	F.45	—	—	7	7	—	—	"
KODA C	$80	10	2	—	—	—	—	$78
HEIN C	F.55	8	11.50	—	—	—	—	F.65.70
HEIN C	F.60	33	6.70	6	7.10	—	—	"
HEIN C	F.65	39	3.10	36	4	—	—	"
HOOG C	F.15	10	0.70	—	—	—	—	F.14.80
HOOG C	F.17.50	—	—	24	0.70	1.50	1.20	"
IBM C	$65	16	5	—	—	—	—	$68
KLM C	F.80	19	9	—	—	—	—	F.87.20
KLM C	F.90	120	3	7	5	—	—	"
KLM C	F.100	131	1.40	66	2.60	—	—	"
KLM C	F.110	—	—	15	1	—	—	"
KLM P	F.80	86	1.70	36	5	—	—	"
KLM P	F.90	69	6.60 B	—	—	—	—	"
NEDL C	F.100	8	5 A	25	7.60 A	—	—	F.99.50
NEDL C	F.110	8	1.60	—	—	—	—	"
NEDL P	F.100	50	5	52	6 B	—	—	"
PHIL C	F.22.50	321	2.80	51	2.80	6	3.50	F.24.800
PHIL C	F.25	489	0.90	96	1.50	255	1.60	"
PHIL C	F.27.50	—	—	48	0.50	—	—	"
PHIL P	F.25	30	0.60	30	1.10	10	1.20 B	"
PHIL P	F27.50	100	2.60	15	2.60 B	—	—	"
RD C	F.80	167	7.90	—	—	—	—	F.87.40
RD C	F.90	234	1.70	448	2.90	318	3.70 B	"
RD C	F.100	31	0.50	62	0.90	—	—	"
RD P	F.80	167	0.60	25	1.60 B	—	—	"
RD P	F.90	14	5.20 B	22	6.50 B	—	—	"
RD P	F.100	—	—	20	15	—	—	"
UNIL C	F.150	68	6.50	56	7.30	—	—	F.154
UNIL C	F.160	15	1.30	10	2.50	20	3.50	"
UNIL P	F.140	—	—	10	1.10	—	—	"
		Nov.		Feb.		May		
SIEM C	DM.220	10	7.50	—	—	—	—	DM219.50
SIEM C	DM.240	15	—	20	7	—	—	"

TOTAL VOLUME IN CONTRACTS 6,659

A=Asked B=Bid C=Call P=Put

MINING ROUND-UP

GOLD PRODUCTION in South Africa was slightly lower in July at 1,835,157 ounces than June's figure of 1,849,704 oz, although last month's total was higher than the 1,788,105 oz recorded for July 1981.

The cumulative total for the first seven months of 1982 was 12,316,743 oz, barely changed from the 12,321,361 oz at the same stage of 1981.

Drilling has resumed on the big Windy Craggy copper-cobalt prospect in north-western British Columbia, owned by Falconbridge and Geddes Resources, following the promising indications thrown up by last year's initial work.

Drilling so far has only penetrated to about 1,250 feet below surface, and the orebody apparently extends at least another 1,800 feet below that level.

Last year's exploration work confirmed the existence of massive and disseminated sulphides with significant copper and cobalt values. The final hole in the 1981 programme intersected a 450 ft width, grading an average 1.55 per cent copper and about 2 lb per ton cobalt.

Geddes will earn a 49 per cent interest in Windy Craggy once it has financed exploration by Falconbridge to the tune of C$1.5m (£704,000). With C$1m already spent, this point should be reached some time this year.

Brazil has postponed until September 21 a decision as to which company or group of companies will develop 45m tonnes of manganese deposits in the mineral-rich Carajas region in the eastern Amazon, according to agency reports.

Mr P. B. Mihalop, managing director of the Cornish tin producer South Crofty, has written to shareholders advising them to take no action on the offer of 70p a share from Charter Consolidated until they hear further from him.

He and the other three independent members of the South Crofty board, Mr J. H. Brock, Mr C. E. Connell and Mr I. C. Waite, are seeking advice from Barclays Merchant Bank and will communicate with shareholders as soon as possible.

Charter recently acquired a stake of 65.24 per cent in Crofty from St. Piran at a price of 70p per share, and has extended its offer to all other holders.

At the same time, Charter said that Rio Tinto-Zinc planned to lift its holding in Crofty to 40 per cent of Charter's ultimate stake once the present offer is concluded. The two big groups will then operate Crofty as a joint venture.

COMPANY NOTICES

THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED

(Incorporated in the Republic of South Africa)

DIVIDEND NO. 94

ON SHARE WARRANTS TO BEARER.

Pursuant to the notice published on 25th June, 1982, members are informed that the rate of exchange at which payments of the above dividend are to be despatched by the United Kingdom Paying Agents on 2nd September, 1982, is 1 Rand of 100 cents equals 50.2414p United Kingdom currency. The gross dividend payable by the United Kingdom Paying Agents is therefore equivalent to 150.7242p. Holders of share warrants to bearer are informed that payment of dividend No. 94 will be made on or after 3rd September, 1982, upon surrender of Coupon No. 94 at the London Bearer Reception Office, 40, Holborn Viaduct, London EC1P 1AJ.

	Amount Payable per share (U.K. Currency) p
Equivalent in United Kingdom currency of dividend declared	150.7242
Less: South African Non-Resident Shareholders' Tax of 15%	22.6088
AMOUNT PAYABLE WHERE A U.K. INLAND REVENUE DECLARATION IS LODGED WITH COUPONS	128.1158
Less: United Kingdom Income Tax at 15% on the gross dividend (see Notes 1 and 2 below)	22.6086
AMOUNT PAYABLE WHERE COUPONS ARE LODGED WITHOUT UNITED KINGDOM INLAND REVENUE DECLARATIONS	105.5070

COUPONS must be listed in duplicate on forms obtainable from the London Bearer Reception Office and deposited for examination on any week-day (Saturday excepted) at least seven clear days before payment is required.

BARNATO BROTHERS LIMITED
London Secretaries
D. W. J. PHILLIPS, Secretary

99, Bishopsgate,
LONDON EC2M 3XE.
23rd August, 1982.

NOTES:
(1) The gross amount of the dividend for use for United Kingdom Income and Surtax purposes is 150.7242p.
(2) Under the Double Taxation Agreement between the United Kingdom and the Republic of South Africa, South African Non-Resident Shareholders' Tax applicable to the dividend is allowable as a credit against the United Kingdom Tax payable in respect of the dividend. The deduction of tax at the reduced rate of 15% instead of at the standard rate of 30% represents an allowance of credit at the rate of 15% in respect of South African Non-Resident Shareholders' Tax.

THE COUNCIL OF EUROPE RESETTLEMENT FUND FOR NATIONAL REFUGEES AND OVER-POPULATION IN EUROPE

LUX. FCS. 500,000,000
7% 1972/1987

Holders of the above mentioned issue are herewith informed that the annual redemption instalment due September 15th, 1982 covering a nominal amount of Lux Fcs. 50,000,000 has been partially satisfied by bonds repurchased in the market of an amount of Lux Fcs. 44,100,000 and partially by drawing by lot of the remaining Lux. Fcs. 5,900,000

The bonds so drawn bear the following numbers: 8304/7: 8308/11: 6313/17: 6319/21: 6323/27: 6329/31: 8333/37: 8339/41: 6345/47: 6349/51: 8353/57: 6375/77: 6379/80: 8383/07: 6389/91: 6393/97: 8399/6401: 6403/7: 8409: 6411: 8413/17: 6419/21: 6425/27: 6428/31: 6433/37: 6439/41: 6443/47: 8449/51: 6453/54: 6457: 8459/81: 6485/67: 6468/71: 8473/74.

These bonds are redeemable at par and cease to bear interest on September 15th, 1982.

The amount remaining outstanding from September 15th, 1982 on will be Lux. Fcs. 250,000,000.

BANQUE INTERNATIONALE A LUXEMBOURG
Société Anonyme

Luxembourg,
August 24th, 1982.

REPUBLIC OF ICELAND

8¾% 1973/1988

UA 12,000,000

NOTICE IS HEREBY GIVEN to Bondholders of the above loan that the amount redeemable on October 24, 1982 i.e. UA 510,000 was bought in the market.

Amount outstanding UA 9,090,000
Luxembourg, August 24, 1982

The Fiscal Agent
KREDIETBANK
S.A. Luxembourgeoise

LEGAL NOTICES

NOTICE OF MEETING OF CREDITORS
GALVATECHNA LIMITED

NOTICE IS HEREBY GIVEN pursuant to Section 293 of the Companies Act, 1948, that a Meeting of the Creditors of the above-named Company will be held at Newton, Nowton, Davis and Co., Eagle Star House, 28/36 Carver Street, Sheffield S1 4FS, on Friday, the 27th day of August 1982, at 11.30 o'clock in the forenoon, for the purposes mentioned in Sections 293, 294 and 295 of the said Act.

Dated this 13th day of August 1982.

By Order of the Board,
S. MAX,
Secretary.

PERSONAL

EXCLUSIVE VIDEO CLUB—VHS, Beta, Etc. For list Tel: 0373 830583 day or evenings.

The Great Northern Telegraph Company's Holding Company Limited

(Incorporated under the Laws of Denmark)

RIGHTS ISSUE

The Great Northern Telegraph Company's Holding Company Limited ("The Company") announces that at a meeting of the Board of Directors held on 16th March, 1982 a resolution was passed to increase the share capital of the Company from D.Kr. 32,760,000 (£1,820,000) to D.Kr. 49,140,000 (£2,730,000) by offering D.Kr. 16,380,000 (£910,000) New Shares for subscription in Danish Kroner at 20% above par, the Company's present shareholders having prior subscription rights.

The New Shares will entitle their holders to the full amount of any dividend to be declared in respect of the year ending 30th June 1983, but not to dividends in respect of earlier periods. In all other respects the New Shares will rank pari passu with existing shares.

Shareholders can obtain a circular giving full particulars of this issue and the related lodgement form during normal banking hours from Hambros Bank Limited, Stock Office Counter, 41 Bishopsgate, London EC2P 2AA, from today until 6th October, 1982.

BRITANNIA INTERNATIONAL FINANCE LIMITED

(formerly Slater, Walker International Finance Limited)

7¾% 1972/1987 LUXEMBOURG FRANCS 500,000,000

Holders of the above mentioned bonds are hereby informed that the annual redemption instalment due October 15, 1982 amounting to Luxembourg Francs 50,000,000 has been entirely repurchased in the market.

Consequently, a drawing by lot will not take place this year.

The amount of bonds outstanding after redemption date will be Luxembourg Francs 250,000,000.

BANQUE INTERNATIONALE A LUXEMBOURG
Société Anonyme
Paying Agent

Luxembourg, August 24, 1982.

PIONEER ELECTRONIC CORPORATION

NOTICE IS HEREBY GIVEN to holders of CDRs issued by Caribbean Depositary Co. N.V.—Curacao—evidencing shares in the above company that the "Third quarter report 1982" of Pioneer Electronic Corporation may be obtained from:

Pierson, Heldring & Pierson N.V.
Herengracht 214,
Amsterdam;

and

The Bank of Tokyo Ltd.,
established in: Tokyo, Bruxelles, London, Dusseldorf, Paris and New York.

PIERSON, HELDRING & PIERSON N.V.

Amsterdam,
16 August 1982.

CONTRACTS & TENDERS

ALGERIAN PEOPLE'S DEMOCRATIC REPUBLIC

MINISTRY FOR ENERGY AND PETROCHEMICAL INDUSTRIES

NATIONAL DRILLING COMPANY

E.N.A.F.O.R.

NOTICE OF INTERNATIONAL CALL FOR TENDERS No. IN 19.82

"ENAFOR" is launching an International Call for Tenders for the supply of:

25 No. HEAVY TANKER-TYPE VEHICLES

This Call for Tenders is aimed solely at manufacturing companies, accepting consortia, representatives of companies and other intermediaries, in accordance with the provisions of Law No. 78.02 dated 11 February 1978 providing State monopoly for Foreign Trade.

Interested suppliers may obtain Specifications from ENAFOR—Department Engineering and Approvisionnements—1, Place Bir Hakeim, El-Biar (Alger) with effect from the date of publication of this notice.

Offers, in sextuplicate, in a sealed and registered double envelope, the outer envelope bearing no name, initials, captions, logo (etc.), of the tenderer and bearing no inscription indicating its origin, but solely the mention "APPEL D'OFFRES INTERNATIONAL No. IN 19.82—CONFIDENTIEL—A NE PAS OUVRIR" (INTERNATIONAL CALL FOR TENDERS No. IN 19.82—CONFIDENTIAL—DO NO OPEN), addressed to "Monsieur le Chef de Department Engineering and Approvisionnements" (Head of Engineering and Supplies Department), should arrive by 9 October 1982 at the very latest. Any offer received after this date will be rejected

The selection will be made within 120 days with effect from the closing date of the Call for Tenders.

Global dissidents' High Court appeal

BY RAY MAUGHAN

THE DISSIDENT faction seeking to replace the board of Global Natural Resources began an appeal in the High Court in London yesterday against the dismissal of the injunction designed to block Global's equity acquisition of McFarlane Oil.

At the same time, the rebel shareholders began an action in the Cincinnatti courts for the same purpose, which as far as the incumbent board understands the position, is to show that the proposed acquisition of McFarlane will weight shareholdings against the dissidents at the forthcoming, crucial annual meeting in Jersey.

In the London action, which was adjourned yesterday and is likely to last several more days, counsel for the dissidents, Mr Leonard Hoffman QC, claimed that "the main motive for entering into this transaction (McFarlane) was to gain extra support in the forthcoming contest for election to the company board. The motive for issuing the whole of the unissued shares was to put them in friendly hands with a view to the annual meeting."

The annual meeting takes place in the Channel Islands in September. The injunction was dismissed on August 11 but the McFarlane deal was effectively suspended until August 25 to allow the dissidents, orchestrated by the Wall Street brokerage firm, Bear Stearns, time to formulate this appeal.

Mercantile House applications

More than 1,750 applications have been received for a total of more than 10.4m ordinary shares in Mercantile House.

Preferential applications from employees and shareholders of Mercantile House totalling some 2.39m ordinary shares have been allocated in full.

The remaining ordinary shares have been allocated on the following basis: 100 shares, 100 shares; 200 shares to 60,000 shares, 50 per cent of the shares applied for; more than 60,000 shares, approximately 40.4 per cent of the shares applied for.

All applicants will receive an allocation of ordinary shares under the offer for sale.

HERON CORPORATION IN TWO DEALS

Heron Corporation has acquired Sulkin (UK), a private company engaged in consumer electronic products. The business will complement that of Heron's subsidiary, Ingersoll Electronics, and the two companies will trade together under the name Heron Electronics.

At the same time, Heron has sold the watch and clock business of Ingersoll Group to Steven Strauss and Co., a UK watch and clock importer.

FISHER COMPLETES ACQUISITION

Albert Fisher has completed acquisition of W. H. Cooper, a fruit wholesaler operating in New Smithfield market, Manchester. Consideration of £40,000 has been paid.

Net tangible assets of Copper as at May 31 were estimated at about £40,000. Turnover in the year to May 31 was £1.4m, and draft accounts indicate that a marginal loss was incurred.

The business is to be amalgamated with Fisher's existing wholesale fruit and vegetable operation in Manchester.

BERISFORD/ BRITISH SUGAR

Acceptances of S. & W. Berisford's unconditional offer for British Sugar have been received in respect of 27.58m shares, repersenting 45.96 per cent of the share capital.

On July 9 Berisford held 24.01m British Sugar shares, and has subsequently acquired a further 6.3m. As a result of acceptances of its offer, Berisford is now interested in 57.89m shares, repersenting 96.48 per cent of the share capital.

The offer has been extended until further notice.

ENSECOTE OFFSHOOT SOLD TO SAKAPHEN

Ensecote (Holdings), the Sheffield-based industrial lining and coatings group and a subsidiary of Newton Chambers and Company has sold its subsidiary, Ensecote Lithgow, to the West German-owned Säkaphen group of companies.

Lithgow's was purchased by Newton Chambers in 1979, and with Ensecote formed the basis of the Ensecote (Holdings) group.

The remaining member companies, Ensecote and Corrosion Advisory and Inspection Services, both based in Sheffield, are now to trade under their own names.

"The sale of our associate company to its West German patent holder will not affect our Sheffield-based facilities in any way," commented Ensecote managing director, Mr Ron Law. "In fact, we are looking forward to increasing production at Sheffield this year through new market opportunities."

SHARE STAKES

English National Investment Company—The principal scholars of the King's Hall and College of Brazenose, Oxford, as a result of a partial sale, are interested in less than 5 per cent of the preference ordinary shares.

Burtonwood Breweries—Britannic Assurance has sold 85,000 ordinary. It no longer has over 5 per cent of that class of share.

The Narborough (FMS) Rubber Estate—Johore State Economic Corporation has acquired 35,000 ordinary shares, increasing holding to 575,000 shares (10.7948 per cent).

John Carr (Doncaster)—P. J. Carr, a director, has sold 100,000 ordinary shares. J. Carr has sold 100,000 ordinary shares. Mrs H. M. Carr, a director of a subsidiary, has sold 100,000 ordinary shares.

Hadson Petroleum International New—3,744,887 ordinary shares are held by Lazard Bros and Company.

Eva Industries—A subsidiary of Anglo-Indonesian Corporation on August 20 bought 5,000 4.2 per cent preference shares (5.6 per cent).

Trust House Forte—The Kuwait Investment Office, Ministry of Finance, Government of Kuwait holds 22.59m ordinary shares.

Alpine Soft Drinks—S. F. Crew, a director, has sold 50,000 ordinary shares. He is now interested in 1.48m shares (14.42 per cent).

Sound Diffusion—Sir Frederick Delve, a director, has disposed of 100,000 ordinary shares, decreasing his holding to 110,064 shares (0.24 per cent).

UCAT invests in Safe Computing

Venture capital investment trust, United Computer and Technology Holdings, is subscribing for a 21.07 per cent equity holding in Safe Computing at a cost of £140,000 subject to shareholders' agreement. This equity participation is being made in addition to participation by senior management of Safe Computing and two other city investors.

Safe Computing is owned by Mr Philip Rule, chairman, and Chubb and Son. Chubb will dispose of its interest and after the proposed restructuring Mr Rule will hold 49.9 per cent of the equity.

At the same time £1m of Safe Computing loans to Chubb will be converted into 500,000 £1 redeemable preference shares and £500,000 secured loan stock 1986-1989 in Safe Computing.

Chubb will keep a seat on the Safe Computing board, to be filled by a Chubb director.

Established since 1973, Safe Computing is a software house, which sells packages in the UK and overseas. Although Safe Computing traded at a loss in the year to March 31, 1982, indications are that it is now trading profitably.

Agreement has been reached for the sale of the bureau owned by Safe Computing, which enables the company to concentrate activities on its software products, two of which are market leaders, together with its general software and consultancy business.

UCAT is an investment trust, formed in 1981, with a fund of £2.5m. Some investments have already been made in a portfolio of U.S. and British companies and it is seeking opportunities for further investment in high technology industries.

HME PROPOSALS APPROVED

Proposals have been approved for the reconstruction of Harrisons Malaysian Estates (HME) involving, inter alia, the formation of a new Malaysian holding company, Harrisons Malaysian Plantations Berhad (HMPB) and the acquisition of a controlling interest therein by Permodalan Nasional Berhad. Dealings in HMPB shares are expected to commence on the London and Kuala Lumpur Stock Exchanges on October 1.

A. MEADS SOLD

A. Meads of Cannock, mechanical handling specialist subsidiary of the Moss Engineering Group was sold on August 20, 1982 by its joint receivers and managers, Tim Brookes and Alastair Jones of Peat, Marwick, Mitchell and Co, Birmingham.

LONDON TRADED OPTIONS

August 23 Total Contracts 2,405 Calls 1,738 Puts 667

Option	Ex'rcise price	Oct. Closing offer	Oct. Vol.	Jan. Closing offer	Jan. Vol.	April Closing offer	April Vol.	Equity close
BP (c)	250	28	5	42	52	50	—	280p
BP (c)	280	14	56	52	51	38	1	"
BP (c)	300	7	48	16	4	—	—	"
BP (c)	330	3	—	5	25	—	—	"
BP (p)	260	7	5	12	—	16	—	"
BP (p)	280	15	5	22	1	30	3	"
BP (p)	300	32	—	34	—	—	—	"
BP (p)	330	62	5	62	—	—	—	"
CU (c)	130	14	4	20	—	24	—	139p
CU (c)	140	6	72	14	7	15	1	"
CU (c)	160	2½	—	6	6	10	—	"
CU (p)	130	4	3	5	12	9	10	"
CU (p)	140	5	80	12	20	16	2	"
CU (p)	160	25	2	27	3	28	5	"
Cons. Gld (c)	390	92	22	100	—	102	—	477p
Cons. Gld (c)	420	62	33	75	12	77	7	"
Cons. Gld (c)	460	35	80	44	1	60	5	"
Cons. Gld (c)	500	16	115	26	13	32	2	"
Cons. Gld (p)	390	5	2	17	—	22	—	"
Cons. Gld (p)	420	12	4	25	—	36	—	"
Cons. Gld (p)	460	26	6	37	2	42	—	"
Cons. Gld (p)	500	50	15	52	—	67	—	"
Ctlds. (c)	80	5½	4	2	—	10	3	80p
Ctlds. (c)	90	2½	—	5	—	6	80	"
Ctlds. (p)	80	4¾	10	6½	8	8½	10	"
Ctlds. (p)	80	15	—	15	—	16	25	"
GEC (c)	1100	34	22	70	—	90	4	£10¼
GEC (p)	1000	10	6	25	1	26	1	"
Gr'd Met. (c)	174	104	2	—	—	—	—	275p
Gr'd Met. (c)	200	78	—	83	5	—	—	"
Gr'd Met. (c)	220	58	15	63	1	—	—	"
Gr'd Met. (c)	240	38	39	43	3	47	—	"
Gr'd Met. (c)	260	12	45	25	18	31	—	"
Gr'd Met. (c)	280	11	37	15	60	23	6	"
Gr'd Met. (p)	200	1½	—	2½	5	—	—	"
Gr'd Met. (p)	214	1½	3	8	—	—	—	"
Gr'd Met. (p)	260	5	40	12	2	18	—	"
Gr'd Met. (p)	280	18	7	18	25	22	1	"
ICI (c)	260	40	2	46	—	54	—	292p
ICI (c)	280	22	—	32	5	38	—	"
ICI (c)	300	8	30	17	58	25	—	"
ICI (c)	330	2½	20	8	—	14	1	"
ICI (p)	240	8	11	15	2	20	—	"
Land Sec. (c)	300	7½	12	14	—	22	—	285p
Land Sec. (p)	260	4	—	7	3	10	—	"
Land Sec. (p)	280	5	8	13	—	18	1	"
Mks & Sp. (c)	130	47	18	—	—	—	—	175p
Mks & Sp. (c)	140	37	—	40	10	—	—	"
Mks & Sp. (c)	160	17	44	24	—	27	3	"
Mks & Sp. (c)	180	7	7	11	14	17	—	"
Mks & Sp. (p)	160	3¼	88	5¼	2	6½	—	"
Mks & Sp. (p)	180	13	25	18	2	15	—	"
Shell (c)	390	22	4	34	6	44	—	402p
Shell (c)	420	7	8	22	—	30	—	"
Shell (p)	390	12	8	18	1	20	—	"
Shell (p)	420	30	1	32	—	34	—	"
		November		February		May		
Barclays (c)	390	11	2	20	2	28	—	375p
Barclays (p)	350	12	12	15	—	30	—	"
Barclays (p)	385	22	1	30	—	—	—	"
Imperial (c)	60	5	3	11½	—	14	—	98p
Imperial (c)	100	4	45	7	—	8½	5	"
Imperial (c)	110	1½	32	3½	—	—	—	"
Imperial (p)	100	7½	10	10½	—	12½	—	"
Lasmo (c)	330	34	3	47	1	63	1	332p
Lasmo (c)	360	18	7	32	—	42	—	"
Lasmo (p)	300	5	15	18	—	24	1	"
Lasmo (p)	330	22	—	32	—	43	15	"
Lasmo (p)	360	40	1	50	—	65	1	"
Lonrho (c)	80	15	46	12	7	12	—	88p
Lonrho (c)	90	7½	7	10	—	13	1	"
Lonrho (p)	80	2	10	4	—	5	—	"
Lonrho (p)	90	5	30	7	8	8	—	"
P & O (c)	140	21	1	25	5	30	—	158p
P & O (c)	160	8	12	11	—	15	—	"
P & O (p)	140	3	20	4	11	8	—	"
P & O (p)	180	13	10	17	—	20	—	"
Racal (c)	420	118	—	128	8	—	—	533p
Racal (c)	460	78	1	88	—	110	—	"
Racal (c)	500	45	51	63	13	80	5	"
Racal (c)	550	16	28	30	2	55	—	"
Racal (p)	480	5	11	10	—	18	—	"
Racal (p)	530	27	—	45	—	60	1	"
RTZ (c)	420	42	60	62	—	67	1	442p
RTZ (c)	460	15	17	27	1	52	—	"
RTZ (p)	390	7	14	11	—	24	—	"
RTZ (p)	460	40	1	45	—	53	—	"
Vaal Rfs. (c)	45	17½	—	19	12	—	—	$60
Vaal Rfs. (c)	50	13½	70	15½	3	18	—	"
Vaal Rfs. (c)	55	10	30	11	—	15	4	"
Vaal Rfs. (c)	60	6	55	7½	3	8	3	"
Vaal Rfs. (p)	50	1½	2	3¼	—	4	—	"
Vaal Rfs. (p)	55	2½	12	6	—	8¼	—	"
Vaal Rfs. (p)	60	4	84	8	—	8¼	—	"

C=Call P=Put

FINANCIAL TIMES

PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London EC4P 4BY. Telex: 8954871. Telex: (Advertising) 885033. Telegrams: Finantimo, London. Telephone: 01-248 8000. Frankfurt Office: The Financial Times (Europe) Ltd., Guiollettstr. 54, D-6000 Frankfurt-am-Main 1, West Germany. Telex: 416193. Telephone: 7598-0. Editorial: Frankenallee 71-81. Telex: 416052. Telephone: 7598 157.

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COMMODITIES AND AGRICULTURE

Mild coffee producers' quotas plea

LATIN AMERICAN "other milds" coffee producers are to propose that they receive a 26 per cent share of the next set of export quotas to be established by the International Coffee Organisation (ICO) next month. The nine countries involved, who grow mild varieties other than the Columbian, have just ended two days of talks, at which they agreed a common stance to take at the ICO meeting.

● NATURAL rubber-producing countries ended their first day of talks in Kuala Lumpur yesterday.

They are discussing ways of withholding 350,000 tonnes of rubber from the world market in the second half of this year.

● MILK output in England and Wales in July totalled 1,139.9m litres, compared with 1,063.6m in July 1981, according to figures from the Milk Marketing Board.

● INDIA'S sugar output in the first 10 months of the 1981-82 season totalled 8.36m tonnes against 5.06m in the same period last season, the Indian Sugar Mills Association said.

● THE release of hundreds of mink into the wild from an Essex fur farm on Sunday was an act of "sheer lunatic irresponsibility," farmers and animal welfare groups said yesterday. The animals were freed from the New World Mink Ranch by the Animal Liberation Front

● CAMEROUN'S 1982-83 cocoa season will open on September 1. Considerably earlier than past years, the Official Press reports.

● THIRD BEET test results from both France and West Germany show an average root weight of 497 grammes (compared with 433 the same time last year) and 662 grammes (compared with 624 grammes) respectively.

● REPRESETATIVES of about 25,000 striking wool-shearers and farm hands in New South Wales voted overwhelmingly to suspend their strike, over a pay claim, a union official said yesterday.

● U.S. ROASTINGS of green coffee in the week ended August 14 were about 345,000 (60 kilo) bags, including that used for soluble production, compared with about 315,000 bags in the corresponding week last year.

Cash tin at six-month high

BY JOHN EDWARDS, COMMODITIES EDITOR

CASH TIN rose to the highest level for six months on the London Metal Exchange yesterday.

Standard grade cash tin closed £175 up at £7,210 a tonne, while the three months quotation gained £170 to £7,155.

Traders said buying interest was stimulated by a forecast from the buffer stock manager of the International Tin Council that the market would be forced up to £7,500 a tonne because of the recent support buying campaign which removed surplus supplies.

The upward trend in values was encouraged by the decline last week of tin stocks held in LME warehouses. A fall of 515 tonnes reduced total holdings to 39,390 tonnes.

Copper stocks also fell, by 2,375 tonnes to 143,550 tonnes. But the U.S. copper market (Comex) stocks rose to a record 215,590 short tons.

However, Phelps Dodge announced a rise of 2 cents to 72 cents a pound in its U.S. domestic selling price for copper.

Meanwhile, Reuter reported from Montreal that workers at Noranda's Canadian Copper Refinery are expected to vote this week on whether to accept the company's final offer to settle the strike that started on May 1.

Prices, after opening strongly, fluctuated erratically in line with gold and Comex. Higher grade cash copper closed only £1 higher at £870 a tonne.

Lead and zinc values, however, were boosted by speculative buying. Lead stocks rose by 360 tonnes to 118,610 tonnes and zinc by 250 to 70,625. Aluminium stocks increased too, by 2,025 to 216,075 tonnes, but nickel holdings fell by 18 tonnes to 1,302 tonnes.

LME silver stocks were up by 400,000 to 37,050,000 ounces. Silver prices broke through the $8 an ounce barrier in the afternoon. The London bullion spot quotation rose by 23.65p to 451.3p a troy ounce at the morning fixing and the market rose further to more than 460p in late trading.

● Primary aluminium production, reported by International Primary Aluminium Institute members, fell to 875,000 tonnes in July compared with 1.050m in July 1981.

Average daily production was 28,200 tonnes in July against 28,900 tonnes in June, and 33,900 tonnes in July last year.

Kaiser Aluminium said it would take an additional 55,000 tons of aluminum capacity out of production by closing two potlines at its Mead Smelter near Spokane, by the end of September.

Thailand mines hit

BY JONATHAN SHARP IN BANGKOK

ABOUT a third of the mines in Thailand have closed in the past three years because of falling prices, according to Mr Pipat Prommobol, head of the state-run mining organisation.

Thailand had some 1,000 mines before the closures, about 100 of which were tin mines. Tin is Thailand's main mineral, the others being tungsten, fluorite, wolfram and barytes.

Mr Pipate said in a radio interview that more closures could be expected if prices continued to decline.

Thailand, Malaysia and Indonesia, produce about two-thirds of the world's tin between them. They signed an agreement in June on forming a tin producers' association to supplement the sixth international tin agreement which came into effect in July.

However, the formation of the association has been postponed indefinitely because of differences over its role.

U.S. futures proposal attacked

BY NANCY DUNNE IN WASHINGTON

THE London Commodity Exchange and London Metal Exchange have objected formally to proposals which would allow the Commodities Futures Trading Commission to demand information from domestic and foreign brokers and traders.

A proposed rule would allow the commission to penalise a foreign broker or trader for failing to respond to the demand by barring him or her from trading in the futures market except for purposes of liquidation. Such a penalty could be imposed without prior notice or hearing.

In practice, the rule would be applied to only foreign traders, the LCE said. Barring traders without notice constituted "a clear violation of their due process rights under the U.S. constitution."

The LCE told the commission that the rule would deter foreign traders and brokers from participation in the U.S. futures markets. It would impose significant burdens on foreign brokers and traders in gathering and retaining information, and would create the risk that they would be compelled to disclose confidential information. The LCE believes it would also create the feeling that the rule constituted "unfair and discriminatory treatment of them as compared with their U.S. competitors."

The LME recommends Governmental discussions because it fears the rule will discourage international traders from U.S. markets. The exchange also believes international commodity pricing and market liquidity elsewhere will suffer.

Meanwhile, the New York Coffee, Sugar and Cocoa Exchange, after a merger of its clearing houses, has approved a resolution phasing out the use of letters of credit issued by foreign banks.

Under the resolution, approved by the board of directors, the exchange is accepting only new letters of credit issued by national banks, state chartered banks and banks with a net capital worth of "at least $50m." NY subsidiaries of foreign-owned banks could be acceptable if they were incorporated in the U.S. and met the capital requirements.

UK grain plantings increase

By John Cherrington, Agricultural Correspondent

WHEAT plantings in the UK rose this year by 12 per cent to a record 1.6m hectares, according to the June census issued yesterday by the Ministry of Agriculture.

Oilseed rape acreage also rose sharply, by 39 per cent, but the total land devoted to cereals was only 1.3 per cent up at 4,030,000 hectares.

In the livestock sector, an increase in the number of dairy cows was offset largely by a further decline in the beef herd. However, the sheep breeding flock rose by 3 per cent, to a record 17m. Young ewes showed an even larger increase, of 5 per cent.

The pigbreeding herd too shows a significant increase of 3 per cent, with young gilts in pig up by 11 per cent.

The figures indicate there could be a record wheat crop if the harvest is completed successfully. And the total UK harvest could exceed 20m tonnes for the first time.

Bumper apple crop may bring fresh fruit war

A NEW apple war with the French is looming because of a bumper harvest expected throughout Europe, except Britain.

Apple production in the Common Market this year is expected to reach 7.8m tonnes, nearly 50 per cent up on the poor 1981 harvest, Agra Europe, the Brussels-based intelligence bulletin said yesterday.

Regions expecting very good results are Northern Italy, Southern Germany, and south west France, which produces early Golden Delicious, competing with early British varieties.

British production, at 300,000 tonnes, is only 50,000 tonnes up on 1981, and still well below average.

The French harvest is estimated at 2.23m tonnes, almost 500,000 tonnes higher than last year. German output is likely to be 1.4m tonnes higher, at 2.3m tonnes, and Italy is expected to produce 2.23m tonnes,

WORLD WOOL
Hard times ahead

BY ANTHONY MORETON, TEXTILES CORRESPONDENT

THE WORLD'S wool industry looks set for another difficult year as winter draws to a close in the southern hemisphere and wool-shearing gathers momentum.

Signs of an upturn which began to emerge in the second half of 1981, have disappeared and prospects are now for a larger wool clip at a time when demand remains flat.

Forecasts

World wool production should be slightly higher this year, according to figures just released by the Commonwealth Secretariat, which monitors the industry in conjunction with the International Wool Study Group and the International Wool Textile Organisation. However, with a "quite substantial carryover of unsold wools" from last season, the prospect is for an increase of about 3½ per cent in the wool available.

The secretariat forecasts there will be about 1.8m clean tonnes of wool available. The present situation is described as "very difficult."

The estimates are based on clips being accumulated in Australia, New Zealand, Argentina, South Africa and Uruguay, the five leading growing countries in the Western world.

Both the Soviet Union and China are very large growing countries, but they consume all their output internally and their only influence on world markets is as buyers.

Marketing authorities in the main growing countries have been forced to take a considerable part of the supplies off the market because of slack demand.

Australia, the world's leading grower, produced 711,000 tonnes in 1981-82, almost a quarter of world production. But Australia has had to carry forward into the current season 64,000 tonnes of wool compared with 37,000 tonnes a year ago.

Similarly, in New Zealand, the Western world's second most important producer with an output of 375,000 tonnes, the amount of stock carried forward has risen by about 10,000 tonnes to 52,000 tonnes.

The situation in New Zealand is particularly difficult because of an "alarming" increase in farming costs. New Zealand has been hit further by the collapse of the carpet industry, one of the most important buyers of its type of wool.

Depressed

The growers have not been helped by the state of depressed demand in the importing countries. Hopes of a pick-up in output in the third and fourth quarters of 1981 were quickly crushed.

There have been some bright manufacturing spots, especially in Japan, Italy, South Africa and Korea and to some extent in the UK. However, after a buoyant first nine months in 1981, the situation deteriorated badly in the U.S., and in the rest of Europe "there were no clear signs of an improvement with activity remaining very much in the doldrums and orders well below those needed to maintain full working."

India buys wheat from U.S.

BY OUR NEW DELHI CORRESPONDENT

INDIA BOUGHT 2.5m tonnes of wheat in the American market last week, mainly for buffer stocking.

Twenty companies responded to an invitation for tender made last Wednesday.

Officials said the price of the wheat varied according to the time of shipment and other considerations. The total price was unavailable.

The Indian purchase has been welcomed by American farmers who face mounting surpluses and the prospect of a record harvest in the U.S. next year.

The current wheat price in the U.S. market is about $3.43 a bushel in Chicago, for the September delivery. Prices differ from area to area depending on various factors.

The price of September delivery wheat in Kansas is $3.68 a bushel and in Minneapolis $3.85. A metric tonne is equal to 36.7 bushels.

This is the second successive year India has had to go in for wheat imports. Last year, India imported 1.51m tonnes from the U.S. and a further 0.75m tonnes from Australia.

A small quantity of the Australian wheat, a little over 100,000 tonnes was diverted to Bangladesh following a request from that country for grain assistance.

The price at which the latest bargain has been struck has not been disclosed.

Last year, the American wheat was bought at $213.47 a tonne, while the Australian wheat cost $212.11 a tonne, both prices were Cif in the U.S. and Australia respectively.

Import has been made to build a comfortable buffer stock, especially when the prospects of a normal monsoon this year are bleak. With a shortfall of 6.5m tonnes in foodgrain production last year, the stock has dwindled to 15.46m tonnes as on July 1—10.15m tonnes of wheat and 5.12m tonnes of rice.

The monthly offtake of foodgrain for the public distribution system is 1.1m tonnes.

The weak monsoon in most of India this year added to the low stock position.

There is apprehension that the coming "Kharif" (summer season) crop may be very low. Import of wheat will have an impact on the open market.

Already, grain prices in the market are showing an upward trend.

LONDON OIL SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	31.50-32.00	+0.45
Iranian Light	30.50-31.00	+1.15
Arabian Heavy	29.50-29.75	+0.07
North Sea (Forties)	33.00-33.10	+0.58
African/Bonny L'ht	34.00-34.20	+0.30
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	330-340	+1.5
Gas oil	286-294	+1.5
Heavy fuel oil	154-157	+0.5

GAS OIL FUTURES

After a steady opening prices continued strong, reacting to Middle East nervousness. Physical prices were also steady. The market broke through resistance levels on most months, attracting technical buying, reports Premier Man.

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
August	301.25	+4.50	301.50-99.00
Sept.	292.50	+5.50	292.50-87.00
Oct.	293.50	+4.75	295.50-89.50
Nov	294.75	+5.00	294.75-91.00
Dec.	294.75	+3.75	295.00-92.00
Jan.	294.25	+2.00	294.00-93.00
Feb.	294.00	+3.50	294.00
March	290.00	+2.50	290.00
April	266.50	—0.50	—

Turnover: 1,624 (1,353) lots of 100 tonnes.

GOLD MARKETS

Gold continued to advance in the London bullion market yesterday against a background of a soft dollar and declining world interest rates. It rose $9½ to $393-394, after opening at $377½-378½. The metal touched a peak of $396-397.

In Paris the 12½ kilo gold bar was fixed at FFr 85,000 per kilo ($384.43 per ounce) in the afternoon, compared with FFr 83,000 ($376.32) in the morning, and FFr 82,100 ($371.78) Friday afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM 30,320 per kilo ($383.01 per ounce), against DM 29,970 ($379.74) and closed at $394-395, compared with $386-387.

In Luxembourg the 12½ kilo bar was fixed at the equivalent of $378.50 per ounce.

In Zurich gold finished at $393-396, against $385-388.

LONDON FUTURES

Month	Yesterday's close	+ or —	Business Done
	£ per troy ounce		
Sept'mb'r	227.00-31.5	+6.750	—
October	229.60-30.0	+5.925	229.75-8.25
November	231.25-3.00	+6.125	—
December	232.75-4.00	+5.625	233.00
January	234.25-6.00	+5.775	—
February	235.75-8.50	+6.125	—

Turnover: 246 (487) lots of 100 troy ounces.

	Aug. 23		Aug 20	
Gold Bullion (fine ounce)				
Close	$393-394	(£225-225½)	$383¾-384¾	(£220¼-220¾)
Opening	$377½-378½	(£217¼-217¾)	$382-383	(£218½-219)
Morning fixing	$381.75	(£219.460)	$379	(£217.292)
Afternoon fixing	$394.50	(£225.129)	$386.50	(£221.956)

Gold Coins Aug. 23					
Krugrnd	$407-408	(£233½-234)	King Sov	$96-99	(£54¾-56¼)
½ Krug	$210¾-211¼	(£120¾-121½)	Victoria Sov	$96-99	(£54¾-55¼)
¼ Krug	$107¼-108¼	(£61½-62)	French 20s	$80¾-83	(£46¼-47¾)
1/10 Krug	$43¾-44¾	(£25-25¾)	50 pesos Mex.	$474-479½	(£271¾-275)
Mapleleaf	$406¾-407½	(£233½-233¾)	100 Cor. Aust	$383¼-388½	(£219½-222¼)
New Sov	$95¾-96¼	(£55-55½)	$20 Eagles	$415-425	(£238-243¾)

BRITISH COMMODITY MARKET

BASE METALS

BASE-METAL PRICES were firmer on the London Metal Exchange, boosted by the further strength in precious metals. Copper rose sharply to touch £886 before falling back to close at £875, after £868, reflecting the trend on Comex. Lead and zinc were sharply higher, on computer buying, closing at £328 and £435.5 respectively. Speculative and stop-loss buying lifted forward standard tin to £7,250 before profit-taking prompted a close of £7,150.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Higher grade				
Cash	870.5-1	+4.25	869.5-70.5	+1
3 mths	876-.5	+3	875.5-6	+1.25
Settlem't	871	+4	—	.....
Cathodes				
Cash	836-7	+5	835-6	+5.5
3 months	855-7	+4.75	853-.5	+3
Settlem't	837	+5	—	.....
U.S. Prod.	—	—	*70-75	.....

Amalgamated Metal Trading reported that in the morning cash higher grade traded at £874.5, 72, 71; three months £875, 76, 75.6, 77, 76.5, 79, 76.5, 76, 77, 77.5, 77, 76.5. Cathodes, Cash £837. Kerb: Higher Grade: Three months £880, 81, 82, 82.5, 83, 82.5, 82, 82.5, 83, 84, 84.5, 85, 86. Afternoon: Higher Grade: Three months £870, 69, 68, 69, 70, 69, 69.5, 69, 68.5, 75, 76, 75, 74.5, 75. Cathodes: Three months £850. Kerb: Higher Grade. Three months £877, 76, 77, 77.5, 78, 77, 76.5, 76, 75. Turnover: 41,500 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7320-30	+320	7205-15	+175
3 months	7260-70	+250	7150-60	+170
Settlem't	7330	+320	—	.....
Standard				
Cash	7310-20	+327	7205-15	+175
3 months	7245-50	+215	7150-60	+170
Settlem't	7320	+330	—	.....
Straits E.	$29.15	.....	—	.....
NewYork	—	.....		

Tin—Morning: Standard: Three months £7,130, 40, 50, 70, 80, 85, 7,250, 30, 40, 50, 40, 35, 30, 50. High Grade: Cash £7,310, 7,300, 7,200, 7,300, 05. Kerb: Standard: Three months £7,220, 7,200. Afternoon: Standard: Cash £7,215; three months £7,190, 80, 75, 70, 65, 60. Kerb: Standard: Three months £7,160, 50, 55, 60. Turnover: 1,460 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	314-5	+7.25	316-7	+7
3 months	324.5-5	+6.5	326-7	+7
Settlem't	315	+7.5	—	.....
U.S. Spot	—	.....	*28-8	.....

Lead—Morning: Three months £324, 25, 25.5, 26, 25, 26, 25.5, 25. Kerb: Three months £326, 27, 28. Afternoon: Three months £323, 24, 23, 23.5, 24, 24.5, 25, 26, 28, 27. Kerb: Three months £326.5, 27, 28. Turnover: 24,300 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	426-.5	—.25	428-.5	+5.75
3 months	435-.5	+1	436.5-7	+6.5
S'ment	426.5	—.5	—	.....
Primw'ts	—	.....	37-40.5	.....

Zinc—Morning: Cash £426, three months £432, 33, 33.5, 34, 33, 33.5, 34, 33.5. Kerb: Three months £435, 36, 37. Afternoon: Three months £433, 32.5, 33, 34, 35, 36. Kerb: Three months £436, 35.5, 35. Turnover: 12,800 tonnes.

Aluminm	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Spot	575-7	+7.5	569-.5	+4.25
3 months	594-5	+7.25	588-.5	+5

Aluminium—Morning: Three months £591, 91.5, 92, 93, 94, 93, 93.5, 94, 95, 96, 95.5. Kerb: Three months £595.5, 96, 97, 97.5, 97. Afternoon: Three months £589, 89, 86, 85, 84, 90, 89, 88, 87.5, 88, 89, 88.5. Kerb: Three months £589, 88, 87, 86.5, 86, 85. Turnover: 18,575 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —
Spot	2975-80	+57.5	2940-50	+5
3 months	2852-5	+23.5	2845-50	—17.5

Nickel—Morning: Three months £2,855. Kerb: Three months £2,865, 70. Afternoon: Three months £ .... 55, 50. Kerb: Three months £2,845, 50, 45. Turnover: 582 tonnes.

SILVER

Silver was fixed 23.65p an ounce higher for spot delivery in the London bullion market yesterday at 451.3p. U.S. cent equivalents of the fixing levels were: spot 785c, up 39.8c; three-month 803.8c, up 41.3c; six-month 828.3c, up 45.8c; and 12-month 876.5c, up 46c. The metal opened at 431-434p (749-752c) and closed at 462-465p (806-810c).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	451.30p	+23.65	457.00p	+20.2
3 months	462.30p	+24.5	467.75p	+21.0
6 months	474.70p	+25.9	—	.....
12months	496.80p	+26.1	—	.....

LME—Turnover: 353 (352) lots of 10,000 ozs. Morning: three months 456.0, 57.0, 56.0, 55.0, 55.5, 64.0, 65.0, 68.0, 69.0, 68.0, 68.5, 69.0, 70.0, 70.5, 71.0, 71.5, 72.0, 71.5. Kerb: three months 472.0, 71.0, 71.5, 72.0, 73.0, 74.0, 75.0, 78.0, 80.0, 81.0. Afternoon: three months 455.0, 56.0, 57.0, 69.0, 66.0, 67.0, 66.5, 67.0. Kerb: three months 468.0, 69.0, 68.0, 66.0, 65.0, 63.0, 62.0.

COCOA

Futures opened £10 higher but failed to make the gains as trade hedging of modest producer sales checked the advance. Light profit-taking caused prices to close at the lows, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
Sept.	905-06	+5.0	913-902
Dec.	948-49	+3.0	958-47
March	976-77	—2.0	989-76
May	993-94	—5.0	1007-994
July	1009-10	—5.5	1032-10
Sept.	1020-50	—8.5	1040-38
Dec.	1052-53	—13.5	—

Sales: 2,011 (2,741) lots of 10 tonnes.

ICCO—Daily price for Aug 23: 73.97 (73.84). Indicator price for Aug 24: 72.42 (71.73).

COFFEE

Robustas continued to advance before retracing in somewhat erratic trading, reports Drexel Burnham Lambert. Near September was particularly volatile as one trade house manipulated dealings.

COFFEE	Yest'day's Close	+ or —	Business Done
Sept.	1308-10	—27.5	1345-298
Nov.	1189-90	—1.5	1210-188
January	1099-101	+11.0	1105-088
March	1027-30	+20.0	1030-08
May	990-95	+15.0	986-70
July	955-65	+7.5	958-45
Sept.	945-50	+17.5	945-33

Sales: 5,234 (4,431) lots of 5 tonnes.

ICO Indicator prices for August 20: (U.S. cents per pound): Comp. daily 1979 119.19 (118.18); 15-day average 116.62 (116.34).

GRAINS

Mnth	WHEAT Yesterd'ys close	+ or —	BARLEY Yest'rdys' close	+ or —
Sept.	111.55	+0.45	105.15	.....
Nov.	114.45	+0.10	108.95	.....
Jan.	117.95	—	112.65	.....
Mar.	121.40	+0.10	115.65	.....
May.	124.60	—	118.70	+0.05
July.	127.50	+0.05	—	—

Business done—Wheat: Spot 111.45-111.15, Nov 114.45-114.35, Jan 118.10-117.55, March no trades. May 124.70-124.60, July no trades. Sales: 236 lots of 100 tonnes. Barley: Sept 105.15 only, Nov 108.95 only, Jan 112.70-112.05, March 115.65 only. May 118.70 only. Sales: 163 lots of 100 tonnes.

HGCA—Locational ex-farm spot prices. Other milling wheat: E. Mids 108.40. Feed barley: Eastern 98.70, E. Mids 101.10, N. East 101.90, Scotland 102.40. The UK Monetary Coefficient for the week beginning Monday, August 30 (based on HGCA calculations using four days' exchange rates) is expected to remain unchanged.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1 14 per cent, Sept 108.50, Oct 109, Nov 111.50 transhipment East Coast sellers. English Feed fob, Oct/Dec 113.50 East Coast seller. Maize, French, Aug 136, Sept 136.50 transhipment East Coast seller. S. African White/Yellow, Aug/Sept 85.00 seller. Barley: English Feed fob, spot 105, Sept 108, Oct/Dec 112.50 East Coast seller. Rest unquoted.

RUBBER

The London physical market opened slightly steadier, attracted little interest throughout the day and closed dull. Lewis and Peat recorded a September fob price for No. 1 RSS in Kuala Lumpur of 199.75 (199.0) cents a kg and SMR 20 171.5 (same).

No. 1 R.S.S.	Yest'r'ys close	Previous close	Business Done
Sept	51.00-51.20	50.50-51.00	51.20
Oct	51.90-52.10	51.60-51.90	52.00
Oct-Dec	52.60-52.80	52.40-52.50	—
Jan-Mar	55.10-55.20	54.80-54.90	55.50-55.20
Apl-Jne	57.70-57.80	57.50-57.60	57.80-57.70
Jly-Sept	60.20-60.50	59.80-59.90	60.50-60.20
Oct-Dec	62.70-62.80	62.50-62.80	62.80
J'n-Mch	65.10-65.20	64.90-65.00	—
Apl-Jne	67.50-68.50	67.40-67.80	—

Sales: 65 (191) lots of 15 tonnes; 7 (11) lots of 5 tonnes.

Physical closing prices (buyers) were Spot 50.00p (same), Sept 51.50p (same); Oct 52.25p (51.75p).

SOYABEAN MEAL

The market opened unchanged in featureless trade, reports T. G. Roddick. Prices firmed on light commission house buying.

	Yesterdays' Close	+ or —	Business Done
	£ per tonne		
August	122.60-22.8	+1.30	121.50
October	124.60-25.0	+1.45	125.10-23.50
Dec.	128.60-23.8	+1.50	126.70
Feb.	128.10-29.5	+0.95	—
April	130.00-31.0	+1.00	—
June	131.50-32.5	—1.00	—
August	131.00-34.0	—	—

Sales: 28 (188) lots of 100 tonnes.

SOYABEAN OIL—After a higher opening in dull conditions prices steadied on a weaker dollar. Close and business done (U.S. $ per tonne): Oct 440.00, 444.00, untraded; Dec 447.50, 449.00, 448.00-445.00; Feb 448.00, 454.00, 447.00; April 452.00, 457.00, untraded; June 455.00, 470.00, untraded; Aug 460.00, 475.00, untraded; Oct 465.00, 480.00, untraded. Sales: 12 (31) lots of 25 tonnes.

SUGAR

Tate and Lyle delivery price for granulated basis white sugar was £405.90 (same) a tonne for home trade and £204.00 (£208.00) for export.

No. 4 Contract	Yesterday close	Previous close	Business done
	£ per tonne		
Oct.	108.40-08.60	110.60-10.30	111.28-07.00
Jan	112.00-18.00	115.00-17.00	—
March	122.40-22.45	125.40-25.50	125.75-22.00
May	126.25-26.50	128.40-28.50	128.25-26.00
Aug	129.00-29.50	131.50-32.00	—
Oct	131.75-32.00	134.25-34.50	133.00-31.50
Jan	155.00-37.00	136.50-37.50	137.00

Sales: 2,143 (3,870) lots of 50 tonnes.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean ports. Prices for August 20: Daily price 6.62 (6.71); 15-day average 6.95 (6.97).

LONDON DAILY PRICE—Raw sugar £99.00 (£101.00) a tonne cif Aug-Sept-Oct shipment. White sugar daily price £112.00 (£115.00).

Small losses at the opening were quickly erased and gains of £2 were recorded in line with a sharp improvement in the price of gold. A lower than expected New York opening pared most of the gains, reports C. Czarnikow.

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. Oct 527.0, 528.0, 527.0-526.0; Dec 530.0, 531.0, 530.0; March 535.0, 537.0, 537.0; May 541.0, 542.0, 542.0-541.0; July 547.0, 549.0, untraded: Oct 542.0, 542.5, 542.5; Dec 545.0, 546.0, 545.0. Sales: 29.

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. Aug 345, 363, nil; Oct 365, 375, 367; Dec 386, 391, 386; Jan 388, 395, 389; March 397, 402, 399-398; May 403, 408, 406-405; Aug 407, 417, nil; Oct 409, 420, nil; Dec 414, 422, nil; Jan 416, 424, nil. Sales: 10.

BRADFORD—Some topmakers and spinners are finding a little business which is more on the export than home trade side. Prices are being sharply cut when it comes to actual business.

PRICE CHANGES

In tonnes unless otherwise stated.

	Aug. 23 1982	+ or —	Month ago
Metals			
Aluminium	£810/815	.....	£810/815
Free Mkt.	$955/1025	+15	$980/990
Copper			
Cash h grade	£870	+1	£865
3 mths	£875.75	+1.25	£879.5
Cash Cathode	£835.5	+5.5	£840.5
3 mths	£853.25	+3	£860.5
Gold troy oz	$393.5	+9.25	$353.5
Lead Cash	£316.5	+7	£312.75
3 mths	£326.25	+7	£324.75
Nickel	£4025	.....	£4080
Free mkt.	220/250c	.....	222/252c
Platin'mtr oz'y	£260	.....	£260
Free mkt.	£187.80	.....	£172.00
Quicksilvert	$355/365	—5	$360/370
Silver troy oz.	451.30p	+23.65	404.50p
3 mths	462.30p	+24.50	416.30p
Tin Cash	£7210	+175	£6195
3 mths	£7155	+170	£6293.5
Tungsten 22.0 lb	$111.43	.....	$111.18
Wolfrm 22.4 lbs	$101/105	.....	$107/112
Zinc Cash	£428.25	+5.75	£409.75
3 mths	£436.75	+6.5	£417.25
Producers	$800	.....	$800
Oils			
Coconut (Phil)	$415x	+5	$465
Groundnut	$545u	.....	
Linseed Crude	$395y	.....	
Palm Malayan	$480	.....	$402.5
Seeds			
Copra Ph lip	$275	.....	$310
Soyabean (U.S.)	$256.5y	+1.5	$256.5
Grains			
Barley Fut. Nov	£109.95	.....	£108.65
Maize	£136.00	.....	£136
Wheat Fut. Nov	£114.45	+0.1	£113.75
No.2 Hard Wint		.....	
Other commodities			
Cocoa ship't*	£989	—2	£935
Future Dec	£948.5	+3	£897
Coffee Ft' Nov	£1189.5	—1.5	£1,121
Cotton A.Index	75.40c	.....	79.10c
Gas Oil Sept.	$292.5	+5.5	$280
Rubber (kilo)	50p	.....	48.75p
Sugar (Raw)	£99xt	—2	£107
Wooltops 64s kl.	375p kilo	—2	378p kilo

‡ Unquoted. x Aug-Sept. v July-Aug. y Sept. z Oct. † Per 16 lb flask. * Ghana cocoa. n Nominal.

INDICES

FINANCIAL TIMES

Aug. 20	Aug. 19	M'th ago	Y'er ago
231.58	229.35	234.61	262.78

(Base: July 1 1952 = 100)

REUTERS

Aug. 23	Aug. 20	M'th ago	Y'ar ago
1559.7	1538.8	1551.8	1674.0

(Base: September 18 1931 = 100)

MOODY'S

Aug. 20	Aug. 19	M'th ago	Y'ar ago
1007.5	1000.1	1018.3	1053.4

(December 31 1931 = 100)

DOW JONES

Dow Jones	Aug 20	Aug 19	Month ago	Year ago
Spot	125.65	123.18	127.17	362.96
Futr's	128.77	127.11	128.36	375.66

(Base: December 31 1974 = 100)

COTTON

LIVERPOOL—Spot and shipment sales amounted to 730 tonnes, the largest daily turnover for more than 15 months. Buyers were out in force as average prices tended to advance after steady falls earlier in the month. Demand was widespread and covered a substantial range of growths, including North and South American, Middle Eastern and African varieties.

JUTE

JUTE—C and f Dundee BWC £283, BWD £231, BTB £300, BTC £269, BTD £234; C and f Antwerp BWC £265, BWD £235, BTB £303, BTC £273, BTD £238; C and f Dundee Aug 40 in 10 oz £11.05, 40 in 7½ oz £8.50; B Twills £32.18.

TEA AUCTIONS

LONDON TEA AUCTION—19,755 packages were on offer at yesterday's auction including 6,650 packages of offshore teas. Demand continued strong and general. Bright East Africans were a strong feature and often moved 3-5p dearer. Mediums were fully firm and selected lines gained 2-3p. Central Africans sold readily at firm to dearer levels except plain, poor-liquored sorts which moved lower. Ceylons sold well and generally advanced by 3-5p. Offshore offerings met a strong demand from UK and overseas buyers and the brighter lines were several pence dearer. Quotations: Quality 170p a kg (151p), medium 116p a kg (114p), plain 73p a kg (no quotation).

AMERICAN MARKETS

NEW YORK, August 23

THE precious metals rose sharply on continued short-covering and fresh buying interest on concerns surrounding banks and the Middle East. Light buying by commission houses was evident in copper. Coffee was mixed on speculative buying in the nearbys. Cocoa was under pressure from profit-taking. The grain and soyabean complex rebounded from an oversold condition and on inclement weather in Canada, reported Heinold.

Copper—Aug 65.15 (64.45), Sept 65.20-63.35 (64.60), Oct 65.05, Dec 67.20-67.40, Jan 67.80, March 68.70, May 69.70, July 70.75, Sept 71.60, Dec 73.35, Jan 73.85, March 74.85, May 75.85.

*Gold—Aug 399.2 (386.5), Sept 400.2 (387.5), Oct 402.0-403.5, Dec 408.0-409.0, Feb 416.5-417.0, April 423.0-424.5, June 431.1, Aug 437.0, Oct 447.3, Dec 455.9, Feb 464.5, April 473.3, June 482.3. Sales: 80,000.

Potatoes (round whites)—Nov 65.0-66.5 (65.5), Feb 66.0 (65.7), March 76.5, April 87.0-87.5. Sales: 194.

¶Silver—Aug 800.8 (778.0), Sept 795.0-805.0 (779.0), Oct 809.2, Dec 815.5-826.0, Jan 824.0-834.0, March 839.0-845.0, May 851.0, July 874.5, Sept 889.5, Dec 912.0, Jan 919.5, March 934.5, May 943.5. Handy Harman bullion spot. 800.0 (768.0).

Sugar—No. 11: Sept 6.95-7.00 (7.08), Oct 7.17-7.19 (7.23), Jan 7.60, March 8.35-8.37, May 8.62, July 8.85, Sept 9.15-9.25, Oct 9.35-9.40, Jan 9.40-10.00. Sales: 5,820.

Tin—565.00-568.00 (567.00-568.00).

CHICAGO, August 23

Live Cattle—Oct 63.92-63.95 (64.13), Dec 63.90-63.85 (64.02), Feb 62.50-62.60, April 62.62, June 63.10, Aug 61.75.

Live Hogs—Oct 61.15-61.00 (60.97), Dec 58.90-58.90 (55.70), Feb 56.45-56.55, April 51.50-51.60, June 50.50, July 49.30, Aug 46.95.

‡‡Maize—Sept 229-229¼ (225½), Dec 230¾-231¼ (228), March 246¼-246¾, May 256½-256¼, July 262½, Sept 264¼.

Pork Bellies—Aug 101.70 (99.70), Feb 79.75-80.00 (78.60), March 78.02-78.25, May 75.00-75.20, July 70.55-70.60, Aug 69.05.

†Soyabeans—Sept 563½-563¾ (563), Nov 575-573¾ (568½), Jan 587½-587¾, March 602, May 613½, July 625, Nov 633.

‖Soyabean Meal—Sept 165.0-164.8 (163.8), Oct 164.6-164.8 (163.8), Dec 169.0-168.3, Jan 171.5-171.0, March 174.0-174.5, May 178.0-178.5, July 181.0-182.0, Aug 179.5-180.0.

Soyabean Oil—Sept 17.72-17.75 (17.43), Oct 17.85-17.89 (17.59), Dec 18.24-18.25, Jan 18.47-18.49, March 18.75, May 19.00, July 19.30-19.35, Aug 19.17-19.20.

†Wheat—Sept 343½-343 (340½), Dec 363½-364 (361½), March 381½-381½, May 387½, July 385.

WINNIPEG, August 23

§Barley—Oct 102.6 (101.3), Dec 103.3 (102.3), March 107.0, May 108.5, July 109.7.

§Wheat—SCWRS 13.5 per cent protein content cif St Lawrence 22.75 (221.05).

All cents per pound ex-warehouse unless otherwise stated. *$ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lb). §$Can per metric ton. §§ $ per 1,000 sq ft. ‡ Cents per dozen. †† $ per metric ton.

EUROPEAN MARKETS

ROTTERDAM, August 23.

Wheat—(U.S. $ per tonne): U.S. No. Two Red Winter, Sept 143. U.S. No Three Amber Durum, Aug 163, Sept 163, Oct 167, Nov 171, Dec 178. U.S. No. Two Northern Spring 14 per cent, Aug 174, Sept 171, Oct 173, Nov 176, Dec 175.

Maize—(U.S. $ per tonne): U.S. No Three Yellow, Aug 118, Sept 110, Oct 105, Nov 103, Dec 107.50, Oct-Dec 106, Jan/March 115 sellers.

Soyabeans—(U.S. $ per tonne): U.S. Two Yellow Gulfports, Aug 232.75, Sept 231.50, Oct 234.50, Nov 234.50, Dec 238.50, Jan 244, Feb 238.50, March 241, April 244, May 245 sellers.

Soyameal—(U.S. $ per tonne): 44 per cent, Sept 203, Dec 206 traded, afloat 203, Sept 205, Oct 202, Nov 205, Dec 206, Nov/March 229 sellers. Pellets Brazil, afloat 200, Nov/March 228 traded, afloat 201, Aug 204, Sept 208, Oct 214, Nov/March 226 sellers.

PARIS, August 23.

Cocoa—(FFr per 100 kilos): Sept 1060-1086, Dec 1140-1145, March 1185-1195, May 1230-1244, July 1260-1276, Sept 1290-1305, Dec 1320-1335. Sales at call: nil.

Sugar—(FFr per tonne): Oct 1353-1357, Nov 1365-1375, Dec 1415-1426, March 1552-1557, May 1605-1615, July 1625-1638, Aug 1651-1660, Oct 1700-1710. Sales at call: 6.

MEAT/FISH

SMITHFIELD—Pence per pound. Beef: Scotch killed sides 78.0 to 83.5. Ulster hindquarters 94.0 to 95.0, forequarters 58.0 to 60.0. Veal: Dutch hinds and ends 124.0 to 128.5. Lamb: English small 83.0 to 87.0, medium 80.0 to 84.0, heavy 54.0 to 56.0; Scotch medium 56.0 to 61.0, heavy 54.0 to 57.0; Imported—New Zealand PL 59.7 to 60.7, PM 58.0 to 60.0, PX 57.5 to 58.0. Pork: English, under 100 lbs 39.0 to 52.0, 100-120 lbs 41.0 to 51.0, 120-160 lbs 37.5 to 40.0.

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 96.81p per kg lw (+0.59). GB—Sheep 131.11p per kg est dcw (+6.55). GB—Pigs 72.68p per kg lw (+2.61).

GRIMSBY FISH—Supply fair, demand good. Prices at ship's side (unprocessed) per stone: Shell cod £6.00-£7.00, codlings £3.60-£5.00; large haddock £3.00-£5.40, medium £3.60-£4.60, small £1.70-£2.80; large plaice £6.60, medium £4.90-£6.00, best small £4.20-£5.00; skinned dogfish (large) £13.00-£15.00, (medium) £7.00-£16.00; lemon soles (large) £10.00, (medium) £9.00; rockfish £3.00-£4.00, reds £1.00, saithe £1.60-£3.60.

LONDON POTATO FUTURES—The market was very quiet, recovering some of its initial losses and closing quietly steady, reports Coley and Harper. Closing prices: Nov 57.40, —0.80 (57.10 only); Feb 67.30, —0.60 (high 67.20, low 67.00); April 77.80, +0.30 (high 77.50, low 76.50); May 87.50, —0.50 (high 87.30, low 86.50); Nov 87.00, —0.40, untraded. Turnover: 176 (279) lots of 40 tonnes.

COVENT GARDEN—Prices for the bulk of produce, in sterling per package except where otherwise stated. Imported Produce: Oranges—Outspan: Navels/Late: 80 5.20, 48 5.70, 56 5.00, 72 6.20, 88 5.75, 113 5.50, 138 5.55, 150 5.25. Mandarines—Brazilian 5.50-5.80. Tambors—Outspan 48 6.00. Ellendales—Outspan 64 6.00. Lemons—Spania: Trays 5-kg 25-50 1.20-1.50; Outspan: 15 kg 80-195 3.00-5.50. Grapefruit—Outspan 27 3.20, 32 5.95, 36 6.10, 40 6.00, 48 4.50, 56 5.60, 64 5.15, 72 4.35—Ruby same as White.

English Produce. Potatoes—Per pound, new 0.03-0.03½. Mushrooms—Per pound, open 0.60-0.70, closed 0.80-1.00. Lettuce—Per 12, round 1.00-1.60. Webb's 1.20-2.00, Cos 1.50-2.00. Onions—Per 55 lb 40/60mm 2.00-2.60. Spring Onions—Per bunch 0.05-0.09. Pickling Onions—Per 55 lb 2.00-3.00. Leeks—Per 11 lb 1.50-2.20. Primo Cabbage—Per 25 lb 1.20-1.50. Cabbages—Per 28/30 lb White/Red 2.00-2.50. Fennel—Per 6 lb 1.50. Carrots—Per 26/28 lb 0.80-1.40, per bunch 0.05-0.10. Courgettes—Per 12 lb 1.50-2.40. Cucumbers—Per package 1.40-2.00. Tomatoes—Per 12 lb box D/E 1.00-1.40. Cauliflowers—Per 12 Lincoln 3.50-4.20. Celery—Per 18-36 winter crop 2.50-2.00. Stick Beans—Per pound 0.10-0.18. Pumpkins—Per pound 0.10. Marrows—Per box 0.50-0.80. Sugar Peas—Per pound 1.00-1.20. Turnips—Per 28 lb 1.40-1.60. Swedes—Per 28 lb 1.20-1.40. Parsnips—Per 28 lb 1.50-2.20. Apples—Per pound, Bramley 0.12-0.15, Grenadiers 0.08-0.10, Discovery 0.10-0.15, Howgate 0.10, Derby 0.10, George Cave 0.05-0.10, Tydeman's 0.10-0.15. Strawberries—Per 8 oz 0.30-0.50. Blackberries—Per 8 oz 0.20-0.25. Blueberries—Per 8 oz 0.70. Raspberries—Per 4 oz 0.80-1.00. Plums—Per pound, Victoria 0.12-0.18, Belle's 0.10-0.12, Damsons 0.15. Gages—Per pound 0.10-0.15. Corn on Cob—Each 0.05-0.10. Cobnuts—0.45-0.50 per pound.

INTERNATIONAL COMPANIES and FINANCE

Canada Cement to sell U.S. plant

By Robert Gibbens in Montreal

CANADA CEMENT LAFARGE expects to complete the sale of its Chattanooga cement plant in Tennessee to River Cement of St Louis, following an advisory opinion issued by the Federal Fair Trade Commission in Washington.

Together with the sale of certain other assets, total proceeds could be around C$100m (US$110m), analysts estimate.

Canada Cement Lafarge, 56 per cent controlled by Lafarge Coppée of France bought General Portland, the third largest U.S. cement manufacturer, for about C$400m in 1981.

This made Canada Cement the largest manufacturer in North America. General Portland plants operate mainly in the Sunbelt States of the U.S.

Canada Cement agreed to sell the Chattanooga plant to settle an FTC anti-trust complaint.

The FTC has now confirmed that the sale will satisfy its objections to the market effect of the 1981 takeover, and after a 60-day public comment period ends on October 25, the FTC opinion will become final.

Winterthur offers $320m for Republic Services

BY RICHARD LAMBERT IN NEW YORK

WINTERTHUR, the Swiss insurance company which last year acquired Provident Life Assurance of London, is making an agreed bid for Republic Financial Services, a Dallas-based insurance holding company. The offer is worth $45.50 a share in cash, and values the whole company at around $320m.

Republic, which ranks just outside the top 50 U.S. property/casualty insurers in terms of premium volume, has been the subject of several takeover rumours this year. In a very competitive insurance market, it has shown useful earnings growth in the recent past.

The company's strength lies in its homeowners coverage, which accounts for roughly half its premium volume on the property/casualty side. Republic also has a rapidly growing reinsurance operation, and—through another subsidiary—is in the consumer loan business.

Earnings per share last year were $3.31.

As a first step in connection with the bid, Republic has granted Winterthur an option to purchase newly-issued shares which will give Winterthur a stake of 9.9 per cent in the company.

The merger is subject to approval by shareholders and various regulatory authorities.

One of the big three insurance groups in Switzerland, the company specialises in accident and property underwriting. It has major ventures in the UK—where it is linked with the Norwich Union—and in Japan.

Gross premiums in 1981 totalled SwFr 3.9bn ($1.888bn), and profit before tax moved up to SwFr 127.4m, against SwFr 111.4m in 1980. As a result, Winterthur plans to pay increased dividends.

John Wicks in Zurich writes: Société Générale de Surveillance, the Swiss quality-control group, has acquired United States Testing of the U.S., a raw-material and product controls company which also runs an opinion-research division.

The take-over of U.S. Testing, which employs over 900 persons and booked a 1981 turnover of $33m last year, will expand the Swiss group's activities in the U.S. to a payroll of over 2,000 and annual sales of some $80m.

U.S. Testing is already one of the "most diversified commercial testing and inspection organisations in the U.S." It will continue to operate as a separate entity.

For its part, Surveillance last year recorded revenues of SwFr 780.2m ($375.1m) from activities in more than 140 countries.

It increased net income from SwFr 39.7m in 1980 to SwFr 49.4m. Major shareholders include Union Bank of Switzerland and the Geneva banking house of Pictet.

Reverse in Norway shipping group

By Fay Gjester in Oslo

NORWAY'S largest shipping group, Wilh. Wilhelmsen, saw profits drop in the first half of this year, despite an increase in gross freight earnings to NKr 1.85bn, from NKr 1.72bn.

Operating results before depreciation slipped to NKr 280m from NKr 310m, while net profits fell more sharply to NKr 55m ($8.3m) from NKr 116m.

The poor result was mainly because of a weaker performance by some of the group's liner companies. Offshore related activities did well, however, with improved earnings from rigs and supply ships because of more favourable charters, the higher value of the U.S. dollar and more rigs in the Wilhelmsen fleet.

Rates for rigs and supply ships appeared to be falling, the company said. Wilhelmsen's offshore fleet, however, remained in a satisfactory position with few open positions in the second half and a significant number of units on long-term charter.

The group's bulk fleet had also secured employment for the whole of 1982 before the end of 1981, but at lower rates than last year.

Renewal of the fleet was continuing, with two large roll on/roll off vessels ordered from Korea's Hyundai yard for delivery in 1984. Finance had been secured for all the group's recently acquired ships, and all the ships and rigs on order. Its liquidity was satisfactory.

The group manages and/or owns, wholly or in part, a fleet of 81 ships and seven offshore rigs/platforms, including those on order.

The Norwegian seismic survey company Geco, would not be sold to Kosmos, the Norwegian shipping group. Its owners, Det Norske Veritas and Kongsberg Vapenfabrikk, announced recently that talks with the group about a takeover, started earlier this year, had failed to produce agreement, and that Geco would therefore be continuing under its present ownership.

Speculative buying pushes Mexican bonds higher

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

MEXICAN BONDS recovered somewhat yesterday on speculative buying by investors anxious to lock in to the very high yields they offer in the wake of the country's debt problems.

The movements were particularly noticeable on continental markets where the latest DM 100m, seven year, 11 per cent issue for Comision Federal de Electricidad gained about 1½ points to 87½, giving a yield of 14.16 per cent.

In Switzerland the latest SwFr 80m, 8¼ per cent ten-year issue for Nacional Financiera rose 2¼ points to 80¾ giving yield of 11.7 per cent.

Trading in dollar issues by Mexican borrowers remains very limited. In general, the dollar eurobond market was quiet yesterday, with prices tending to lose early gains in the afternoon on lack of follow through to Friday's advance in New York.

Six month dollar deposits were little changed yesterday at 11⅛ points, and once again there was a total lack of new issues in the Eurobond market.

In Germany, Oesterreichische Kontrollbank, the Austrian Export Bank, is raising DM 100m through a seven-year, 8¾ per cent issue led by Dresdner Bank. The issue price has been fixed at par. Other German issues were mostly unchanged on the day, while Swiss Franc foreign bonds were unchanged to slightly better.

Playboy turns in loss for year

BY OUR FINANCIAL STAFF

PLAYBOY ENTERPRISES, the Hugh Hefner-controlled company which is trying to sell its stake in Playboy Hotel and Casino after being found unsuitable to hold casino interests, has turned in a loss of $51.7m or $1.64 a share for fiscal 1982, compared with a profit of $13.7m a year ago. Revenues dipped from $221.5m to $210.1m.

The final quarter brought a loss of $21.3m or 89 cents a share at Playboy against a profit of 3.06m on sales of $52.6m against $56.2m.

Profits have collapsed since it was forced to sell the UK gaming operations, which brought in 98 per cent of earnings in 1981. Playboy has also been obliged to put its 47.5 per cent stake in the Atlantic City casino into an escrow account pending its sale of the interest.

The company said that the 1982 loss includes a $35.5m loss from the discontinued book publishing and resort hotel operations and $15.5m of pre-opening expenses relating to the Atlantic City casino.

Both the management and the auditors of the company had previously said they were unable to predict the loss for the year which would result from the sale of the UK gaming interests, which was forced on the board by the rejection of the application for renewal of the UK gaming licences.

After earning 47 cents a share in the opening quarter of this year, Playboy turned in a loss of 90 cents in the second quarter.

The book publishing interests, also sold off earlier this year, provided a minor part of group profits—less than 2 per cent in 1981.

The group, which is 71 per cent owned by Mr Hefner, had an erratic profits record over the past decade, but forged ahead steadily after 1975, helped by the boom in legal gaming in the London casinos. Last year's earnings total of $13.7m compared with only $1.1m in 1975.

Sysco set to cash in on increased market share

BY OUR FINANCIAL STAFF

SYSCO Corporation, the largest food service wholesaler and distributor in the U.S., expects a 28 per cent rise in earnings to a record $34m or $1.71 a share for the year ended July 3, Mr John Baugh, chairman, said.

In the previous fiscal year the company earned $26.8m or $1.41 a share. Per share amounts in fiscal 1981 are restated to reflect a two-for-one stock split distributed in June.

Revenue in fiscal 1982 increased 24 per cent to $1.7bn from $1.4bn, Mr Baugh said.

In this year's fiscal fourth quarter Sysco's net income increased to $9.8m or 48 cents a share from $7.4m or a restated 39 cents a share in the year-earlier quarter. Revenue rose to $475m from $368m.

Mr Baugh said the record earnings reflected Sysco's larger slice of the $36bn "eating-away-from-home" food industry.

Schools, hospitals, hotels and other institutions account for just under half of Sysco's food service business. The rest comes from restaurants, an area targeted for future growth.

Mr Baugh said the company also planned to begin serving the fast food market, and was expanding its Compton Foods unit main course and meat operations.

By the end of the decade, he predicted that two out of every three dollars spent on food would be spent eating away from home. This created "tremendous growth opportunities" for Sysco, which still had less than a 5 per cent market share.

Sysco has acquired nearly 30 companies since its formation 13 years ago. "We're always impatient to make more acquisitions," he said.

Mr James Lowrey, an executive vice president, said the company spent about $35m in fiscal 1982 on expansion of facilities and the upgrading of its fleet of delivery vehicles. Capital spending this year was expected to range between $35m and $40m.

He said fiscal 1983 "should not be too much out of line with our nearly 25 per cent annual rate of growth" in past years.

Margins under pressure at UMW

By Wong Sulong in Kuala Lumpur

UNITED MOTOR WORKS, the Malaysian heavy industry and engineering group, has reported pre-tax profits up by 16 per cent to 18.3m ringgit ($7.9m) for the six months to June. After-tax earnings was 11.2m ringgit, a 15 per cent improvement.

Turnover rose by 35 per cent to 287m ringgit, indicating that margins were under pressure from costs increases and keen competition in the recessionary atmosphere.

UMW is paying an interim dividend of 5 cents, which is double the payout for the previous first half after adjusting for scrip and rights issues made last year.

The company also announced that the Malaysian authorities have given the approval for its purchases of five Inchcape Berhad companies involved in the assembly and distribution of Toyota cars in Malaysia.

Final discussions on the takeover are taking place with Inchcape, and the completion of the sale is expected soon.

North Borneo Timbers lifts dividend

By Our Kuala Lumpur Correspondent

NORTH Borneo Timbers, one of Malaysia's leading log exporters, reports a trading profit of 16.6m ringgit ($5.4m) for the year ended May, 1982—representing a 72 per cent improvement. Net profit is 7.2m ringgit compared with a loss of 2.1m ringgit previously. The dividend is going up to 7½ cents a share, from 5 cents.

The group said although log exports were marginally lower due to log export control by the Sabah State Government, trading margins improved due to better quality logs which fetched higher prices.

There was also no provision for losses at the 30 per cent associate, German B. Aranez, the logging concern which suspended operations in May last year following terrorists attacks. The 1980-81 provision was 7m ringgit. Negotiations are in progress to sell North Borneo's stake.

Hewlett-Packard computer move

BY LOUISE KEHOE IN SAN FRANCISCO

HEWLETT-PACKARD, the U.S. electronics giant, has introduced a calculator-sized computer with the power of many desk-top machines to bridge the gap between calculators and personal computers. Selling in the U.S. for $995 (prices will vary in Europe) the HP75C is aimed at the business user for whom the unit offers briefcase portability, along with desk-top performance.

Hewlett-Packard is entering one of the fastest-growing sectors of the personal computer business with the HP75C. Market analysts predict that sales of portable computers in the U.S. will grow from their current level of around $175m to $1.25bn by 1986.

Computers that can be carried in a briefcase and plugged into a telephone to become an instant terminal have enormous potential, and they have already attracted several other entrants, notably Matsushita from Japan and Tandy in the U.S. But the market is still very young, and by making an early entry, HP hopes to establish itself as a major player, despite the company's mediocre performance in the broader personal computer field.

The HP75C has a keyboard which the company claims is big enough for touch typing—unlike those on some competitive units that are too tiny for easy use. The unit features a one-line display of 32 characters and sockets that can accept plug-in program modules similar to those used in video games. A range of peripheral devices, including a printer, a modem and cassette drive, are planned.

Penn probe set to resume next month

By Paul Taylor in New York

The U.S. house banking committee investigating the collapse of Oklahoma City's Penn Square Bank is expected to resume hearing evidence next month in Washington.

Among the key witnesses which the house banking committee has yet to hear evidence from on the failure of the bank last month are Mr Bill Jennings, Penn Square's chairman, and Mr Robert Hefner, an Oklahoma City oil man and major borrower from Penn Square Bank.

Last week, the committee heard evidence in a special Oklahoma City hearing from other Penn Square officers and directors, and from the various Federal Bank regulators who have become embroiled in the affair.

At last week's hearings, several other key witnesses, including Mr Bill Patterson, the bank's young and high-spirited energy loan officer whose reputed antics have provided a colourful backdrop to investigation, were given permission to testify in private.

Mr Jennings' evidence could provide important clues into the much criticised organisation of Penn Square, and how it was possible for the small bank to crash under the noses of Federal Bank regulators after parcelling out $2bn in energy loans to several major U.S. banks.

Danske Bank moves ahead in first half

By Hilary Barnes in Copenhagen

DANSKE BANK increased first half earnings before depreciation, bad debt provisions and adjustment for the market value of securities by 35 per cent from DKr 270m to DKr 330m ($38.6m).

The bank attributed the improvement to a general increase in the bank's activities and a sustained effort to restrict the growth of costs, which increased by 12.8 per cent.

Second half operating profits should be in line with earnings in the second half of 1981, the bank said. The net profit for the full year would be influenced by bad debt provisions and the adjustment at the year-end for the market value of its securities portfolio.

The bank's deposits in the year ended June increased by 14.5 per cent to DKr 25.7bn and advances by 7.6 per cent to DKr 20.1bn. The balance sheet total increased by 20.6 per cent to DKr 52.8bn, putting Danske Bank just ahead of Copenhagen Handelsbank as the country's largest commercial bank on this basis.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices which will be published next on Tuesday September 14.

Closing prices on August 23

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Aetna Life 15 86/97	150	105	105⅞	+0⅛	+1⅛	13.02
Amax Int. Fin. 16⅛ 92	75	102¼	102⅝	−2⅛	+1⅛	15.70
Amex O/S Fin. 14¼ 89	75	99⅜	100¼	−0⅛	+2⅛	14.20
ATT 14⅜ 89	400	105	105½	−0⅛	+1⅜	12.96
Baker Int. Fin. 0.0 92	225	28⅛	28⅝	0	+1	14.17
BHP Finance 14½ 89	150	100⅜	100⅝	−2⅛	+2⅛	14.61
Bk. Amer. NT SA 12 87	200	96⅛	97	−0⅛	+3⅛	12.92
Bk. Montreal 14½ 87	100	99⅜	99⅞	+0⅛	+2⅛	14.56
Bque. Indo Suez 15 89	100	100½	101	+0½	+3⅛	14.77
British Col. Hyd. 14⅜ 89	200	104¼	104¾	+0⅛	+4½	13.64
British Col. Hyd. 15¾ 92	150	105½	106⅛	+0⅛	+3⅛	14.10
Canada 14⅛ 87	750	104⅞	105⅛	+0⅛	+5⅛	12.64
Canadair 15½ 87	150	105¼	105½	+0½	+3	13.76
Canadian Pac. 14⅝ 92	75	100½	100½	+0⅛	+4½	14.52
Can. Pac. Sec. 15 89	75	99	99½	+0½	+2⅞	15.18
CIBC 16 87	100	100⅜	100⅞	0	+1½	15.71
Citicorp O/S 15 84/92	100	101⅛	102⅛	−0⅛	+1⅛	13.47
Citicorp O/S 15½ 85/97	125	103⅛	103⅜	−0⅛	+1⅛	13.65
CNA 15⅝ 97	75	106½	107	+0⅛	+4½	14.68
Con. Illinois 15⅛ 89	100	97½	98	+0⅛	+2½	15.26
Deutsche Bk. F. 14⅛ 89	300	100⅜	100⅝	—	—	14.13
Duke Pwr. O/S 15½ 89	60	103⅞	104⅛	+0⅛	+2	14.47
ECSC 14⅝ 87 (April)	80	102⅞	103½	−0⅛	+2⅛	13.72
EIB 15½ 89	150	105⅜	105⅞	+0⅛	+3⅞	14.01
EIB 15½ 92	100	105⅛	105⅞	−0⅛	+3½	14.58
Eksportfinans 14½ 89	50	101⅞	102⅜	+1⅛	+2⅛	13.94
Gen. Elec. Credit 0.0 92	400	30⅜	30⅞	−0⅛	+1⅛	13.29
Gen. Elec. Credit 0.0 93	400	26⅜	27¼	−0⅛	+1⅛	13.90
Getty Oil Int. 14 89	125	104	104½	+0⅛	+0⅛	12.97
GMAC O/S 15⅛ 85/97	100	102⅞	102⅞	−0⅛	+2⅛	13.99
GMAC O/S Fin. 15 89	125	103⅜	103⅞	+0⅛	+3	14.03
GMAC O/S Fin. 15 87	100	103⅜	104⅛	+0⅛	+3⅛	13.74
Gulf Canada Ltd 14⅜ 92	100	102⅞	103⅛	+0⅛	+4⅛	14.09
Gulf Oil 14⅛ 94	175	102⅛	102⅛	+0⅛	+2⅛	13.77
Gulf Oil Fin. 0.0 92	300	30⅝	31⅛	0	+1⅛	13.13
New Brunswick 15⅛ 87	75	103½	104⅛	+0½	+4½	14.09
New Brunswick 15½ 89	75	106⅜	106⅞	+0⅛	+2⅛	14.54
Nova Scotia Pr. 15⅛ 89	75	100⅛	100½	+0⅛	+3½	15.14
Ontario Hydro 14⅜ 89	150	104⅞	105⅛	+0⅛	+4⅛	13.49
Ontario Hydro 15 92	150	105½	106	—	—	13.59
Pac. Gas & El. 15⅞ 89	45	102½	102⅞	−0⅛	+0⅛	14.79
Phillips Petrol 14 89	200	101⅛	101⅞	+0⅛	+2½	13.57
R.J. Rynlds. O/S 0.0 92	400	30½	30⅞	−1⅛	+1⅞	13.78
Saskatchewan P. 15 92	150	102⅞	103⅛	—	—	14.39
Shell Canada 14½ 92	125	101⅞	102⅜	+0⅛	+3⅞	13.93
Superior O/S Fin. 14 89	125	100	100½	−0⅛	+1⅛	13.90
Swed. Exp. Cr. 15⅛ 89	100	103⅜	103⅞	+0⅛	+2⅛	14.70
Swed. Exp. Cr. 14⅛ 90	100	100⅛	100⅜	+0⅛	+3½	14.59
Swed. Exp. Cr. 0.0 94	200	21⅜	22⅛	+0⅛	+0⅞	14.07
Texas Eastern 15⅜ 89	80	103⅛	103⅜	+0⅛	+2⅛	14.88
Union Carbide 14⅛ 89	150	103⅛	103⅜	+0⅛	+2⅛	13.89
Wells Fargo Int. 15 87	75	103⅛	103⅜	−0⅛	+2⅛	13.84
World Bank 14⅛ 87	500	102½	103	+0⅛	+3⅞	13.37
World Bank 15⅛ 88	250	105⅞	106⅛	+0½	+3⅛	13.54
World Bank 15 87	250	104⅜	105⅛	+0½	+3⅛	13.53
World Bank 15 88	150	104⅜	105⅛	0	+3⅛	13.70

Average price changes... On day 0 on week +2⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bank 9⅛ 92	150	98⅜	98⅞	+0⅛	+0⅛	9.48
Australia 9⅛ 91	200	105⅞	106⅜	+0⅛	+2⅛	8.30
Austria 8⅛ 92	100	95⅜	96⅛	+0½	+1⅛	9.00
Barclays O/S In. 8⅛ 94	100	95	95⅞	0	+0⅛	8.89
Bowater Int. Fin. 8⅛ 89	50	95⅞	96⅜	0	+0⅛	8.78
Caisse Nat. Tele. 9½ 92	100	101½	102	+0⅛	+2	9.22
Canada 8½ 89	200	102	102½	+0⅛	+0⅛	9.04
Comp. Tel. Esp. 10½ 92	100	100½	101	0	0	10.75
Cred. Foncier 8⅛ 92	100	97⅛	97⅝	+0⅛	+1	9.14
Denmark 10⅛ 92	100	100⅝	101½	−0⅛	−1½	9.92
EDF 9⅞ 92	100	100⅜	101½	0	0	9.67
EIB 8⅞ 92	100	96⅛	96⅝	−1⅛	+1⅛	9.06
Int.-Am. Dev. Bk. 9 92	150	97⅛	98⅛	0	+0⅛	9.35
Nacnl. Financiera 11 90	150	87⅞	88⅜	−3⅛	−6⅛	13.55
Norsk Hydro 8⅛ 92	100	98	98½	−0⅛	+1⅛	8.76
Philips Lamps 8½ 92	100	100⅜	101⅛	0	+0⅛	8.29
Philip Morris 8⅛ 90	100	100⅝	101⅛	0	−0⅛	8.08
Quebec 10⅛ 92	150	102⅞	103⅜	0	+0⅛	9.59
Renfe 10 92	100	99⅛	99⅞	0	−0⅛	10.05
SNCF 8⅛ 92	100	96⅛	96⅝	0	+0⅛	8.75
Tauernautobahn 9⅞ 94	50	102⅛	102⅝	0	+0⅛	9.49
Tenneco Int. 9 92	100	98⅛	99⅛	−0⅛	+0⅛	9.13
World Bank 9⅛ 89	100	100⅜	101⅛	0	+0⅛	9.27
World Bank 8½ 92	200	96½	97	+0⅛	+1	9.00

Average price change.. On day 0 on week +0⅛

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Air Canada 6⅛ 92	100	101½	101⅞	0	+0⅛	6.04
Asian Dev. Bank 7 92	100	100½	101	0	0	6.89
Austria 7⅛ 92	80	96	97	−0⅛	−1⅛	8.28
BNP 6⅞ 92	100	99⅛	99⅝	+0⅛	+0⅛	6.98
Cse. Nat. l'Energie 7 92	100	100½	101	+0⅛	−0⅛	6.89
Crown Zellerbach 6⅞ 92	100	99⅜	99⅞	+0⅛	+1⅛	6.78
Europarat 7⅛ 92	100	101½	101⅞	+0⅛	+0⅛	7.01
Ind. Fund Finland 6½ 92	30	99⅞	100⅜	+0⅛	+1⅛	6.74
Japan Dev. Bank 8 94	100	101½	102	+0⅛	+0⅛	5.80
Kansai El. Power 6⅞ 92	100	101⅝	101⅞	—	—	6.50
Kobe City 6⅛ 92	100	101⅝	101⅞	+0⅛	+0⅛	5.88
Kommunlane 7⅛ 92	35	100⅝	100⅞	+0⅛	+0⅛	7.13
Lonrho Int. Fin. 7½ 92	80	95⅜	95⅞	+0⅛	0	8.12
Mitsui OSK 6½ 92	100	99	99½	+0⅛	+0⅛	6.60
Nafinsa 8⅛ 92	80	80	80⅝	+2⅛	−5⅛	11.70
Natomas O/S F. 7½ 90	75	101⅛	102	—	—	7.23
New Zealand 6 92	100	103	103½	+1	+1½	5.56
Nippon Tel. & T. 6½ 92	100	104⅛	104⅝	—	—	5.89
NYK 6⅛ 92	100	98½	99	—	—	8.51
OKB 7⅛ 92	100	102	102⅞	—	—	8.94
Philip Morris 6½ 94	100	105	105½	+1	+2⅛	5.64
Renfe 7⅛ 92	80	99	99½	−0⅛	−0⅛	7.97
Sekisui Pre. 5½ 92 WW	70	101⅞	101½	−0⅛	−0⅛	5.56
Svenska Handels 6⅞ 92	100	98⅜	99	+0⅛	+0⅛	6.91
Tiroler Wasser 6⅛ 92	100	98⅞	99⅛	+0⅛	+0⅛	6.39
World Bank 7⅛ 92	100	104	104⅛	—	—	6.66

Average price changes... On day +0⅛ on week +0⅛

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
EIB 8⅛ 92	15	97½	98⅜	0	+0⅛	8.57
Int.-Amer. Dev. 8⅝ 91	18	101	102	−0⅛	+0⅛	8.82
Japan Airlines 7⅞ 87	9	95⅞	96⅞	+0⅛	+0⅛	8.88
New Zealand 8⅛ 87	15	99⅞	100½	−0⅛	+0⅛	8.38
World Bank 8⅛ 92	20	98⅜	99⅛	0	+0⅛	8.52

Average price changes... On day 0 on week +0⅛

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Bell Canada 18 89 C$	100	†100	100½	+0⅛	+1½	15.93
Br. Col. Tel. 17⅛ 88 C$	50	†100⅜	101⅛	—	—	16.99
Can. Pac. S. 16⅛ 89 C$	50	†100	100½	+0⅛	+1⅛	16.24
Can. Utilities 17 87 C$	35	†101½	102	+0⅛	+1⅛	16.45
Gaz Metro. 17⅛ 90 C$	20	†98½	99	0	+0⅛	17.51
OKB 16⅛ 88 C$	63	†99⅞	100⅛	+0⅛	+1½	16.17
O. Hyd. 16½ 89 (M) C$	50	†99⅜	100⅛	+0⅛	+0⅛	16.47
U. Bk. Nwy. 9⅞ 90 EUA	18	†93⅛	95	−1⅛	−1	10.62
Amro Bk. 10 87 (M) Fl	150	100⅜	100⅜	+1	+1⅛	9.83
Amro Bk. 10 87 (A) Fl	75	99⅜	99⅞	—	—	10.10
Bk. Mees & H. 10 87 Fl	75	99⅜	99⅞	−0⅛	+0⅛	10.08
EIB 10 87 Fl	75	99⅛	99⅝	—	—	10.13
Ireland 10½ 87 Fl	75	99⅛	99⅜	0	+0½	10.62
OKB 10½ 87 Fl	75	100	100½	—	—	10.42
OKB 14 86 FFr	400	94½	95½	0	+0⅛	18.03
Solvay et C. 14⅜ 86 FFr	200	94½	95½	−0⅛	−0⅛	15.77
Beneficial 14⅛ 90 £ (D)	20	94½	95½	−0⅛	+3⅛	15.39
BFCE 14½ 87 £	30	105⅜	106⅛	+0⅛	+2½	12.78
BNP 13½ 91 £	15	100⅜	101½	+0⅛	+2⅞	13.33
CECA 13⅝ 86 £	20	101⅞	102⅞	+0⅛	+2½	12.89
Fin. Ex. Cred. 13⅛ 86 £	15	102	103	+0⅛	+2	12.77
Gen. Elec. Co. 12½ 89 £	50	101⅛	102⅛	+2⅛	+3⅞	11.94
Hiram Walker 14⅛ 86 £	25	104½	105⅝	+1⅞	+3⅞	12.35
Norsk Hydro. 14½ 87 £	30	105½	106⅛	+0⅞	+2⅝	12.77
Privatbanken 14½ 88 £	12	100⅜	101⅜	+0⅛	+1⅛	14.11
Quebec 15½ 87 £	35	108⅛	108⅞	+0⅛	+2½	13.45
Quebec Prov. 14½ 89 £	30	100⅞	101½	+0⅛	+2½	14.20
Reed (Nd) NV 16⅛ 89 £	25	107⅞	108⅞	0	+2½	14.60
Royal Trustco 14 86 £	12	102	103	+0⅛	+2	12.99
SDR France 15½ 92 £	30	104⅜	105⅝	+0⅛	+1½	14.43
Swed. Ex. Cr. 13⅛ 86 £	20	102⅛	103⅛	−0⅛	+1½	12.63
Tenneco Int. 14⅛ 87 £	30	101½	102⅜	+0⅛	+2⅛	14.15
Eurofima 10⅛ 87 LuxFr	500	96½	97⅛	+0⅛	+0⅛	11.28
EIB 9⅛ 86 LuxFr	600	92⅜	93⅛	+0⅛	−0⅛	11.48

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Allied Irish 5½ 92	0⅛	98⅝	99⅛	15/10	15.69	15.87
Bk. of Tokyo 5⅛ 91 (D)	0⅛	100⅝	101⅛	8/12	15⅛	15.12
Bk. Nova Scotia 5⅛ 93	0⅛	99½	99⅝	28/10	15⅛	15.22
BFCE 5⅛ 88	0⅛	99⅝	100⅛	28/10	15	15.00
BFCE 5⅛ 87	0⅛	100⅛	100⅜	27/1	14	13.93
Caisse Nat. Tele. 5⅛ 90	0⅛	99⅜	100⅛	21/10	15⅜	15.75
CCCE 5⅛ 2002	0⅛	98⅞	99	11/12	15⅛	15.57
CEPME 5⅛ 92	0⅛	100½	101	10/12	15.44	15.32
Chemical NY 5⅛ 94	‡0⅛	99⅞	100⅜	23/9	15.69	15.67
Credit Agricole 5⅛ 97	0⅛	99½	100	24/9	15.44	15.48
Credit du Nord 5⅛ 92	0⅛	100⅜	101⅛	23/12	15.81	18.65
Credit Lyonnais 5⅛ 97	0⅛	99½	100⅛	1/10	15	15.02
Credit Lyonnais 5⅛ 94	0⅛	100⅞	101½	1/1	15.94	16.75
Credit Nat. 5⅛ 94	‡0⅛	98⅝	99⅛	8/9	14.69	14.86
Ireland 5⅛ 89/94	0⅛	†98⅜	99⅛	25/11	14⅛	14.90
Kansallis Osake 5½ 92	0⅛	99⅜	100⅛	6/11	15.31	15.33
Lloyds Eurofin 5⅛ 93	§0⅛	100	100½	29/10	17⅛	17.08
Long Term Cred. 5⅛ 92	0⅛	99⅝	100⅛	29/11	14½	14.64
J. P. Morgan 5⅛ 97	§0⅛	99½	100⅛	12/11	12.94	12.95
Nat. West. Fin. 5⅛ 91	§0⅛	101½	101½	16/1	15⅛	15.04
New Zealand 5⅛ 87	0⅛	100⅛	100½	7/10	15.56	15.50
Nippon Credit 5⅛ 90	0⅛	100½	101	10/2	13⅞	13.78
Offshore Mining 5⅛ 91	0⅛	100⅛	100⅞	2/12	14.18	14.10
PKbanken 5 91	0⅛	100⅜	101½	17/12	15.81	15.68
Scotland Int. 5⅛ 92	0⅛	98⅜	99⅛	23/2	15⅜	15.53
Sec. Pacific 5⅛ 91	0⅛	99⅞	100⅜	24/11	15	14.98
Societe Generale 5⅛ 95	0⅛	99⅛	99⅜	1/9	15.31	15.39
Standard Chart. 5⅛ 91	0⅛	100	100⅜	18/11	14⅞	14.92
Sweden 5⅛ 89	0⅛	99½	99⅞	26/8	15.31	15.41
Toronto Domin'n 5⅛ 92	0⅛	98⅞	99½	11/2	14.31	14.48

Average price changes. On day −0⅛ on week +0⅛

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 5⅛ 96	7/81	933	90⅜	91⅞	+2⅛	11.20
Bow Valley Inv. 8 95	4/81	23.12	96½	98½	−0⅛	56.24
Bridgestone Tire 5½ 96	3/82	470	84	85½	+1	3.63
Canon 6⅛ 95	1/81	736.3	98½	100½	+2⅛	7.47
Canon 7 97	7/82	748.2	110½	112	+3⅞	8.58
Chugai Pharm. 7⅛ 96	7/82	709.5	113½	115½	+1⅛	5.66
Fujitsu Fanuc 4½ 96	10/81	5641	73⅜	75⅛	+1⅛	23.86
Furukawa Elec. 5⅛ 96	7/81	300	89	90½	+0⅞	−2.70
Hitachi Cable 5⅛ 96	2/82	515	85⅛	87⅛	+2⅛	8.59
Hitachi Cred. Cpn. 5 96	7/81	1612	64⅜	68⅛	+1⅛	8.51
Honda Motor 5½ 97	3/82	841	84⅞	86½	+2	12.37
Kawasaki 5⅛ 96	8/81	229	61	62½	+1½	28.93
Marui 6 96	7/81	846.4	94	95½	+3⅛	11.47
Minolta Camera 5 96	10/81	826.4	61⅛	62⅛	+1	34.29
Minorco 9⅛ 97	5/82	5.18	†87	89	+1	11.65
Murata 5⅛ 96	7/81	2189	65½	67	+1⅞	27.74
NKK 6½ 96	7/91	169	68⅜	70⅜	+1⅛	−19.53
Nippon Electric 5⅛ 97	2/82	846	91½	93	+3	13.25
Orient Finance 5⅛ 97	3/82	1205	74⅜	76⅛	+1½	8.90
Sanyo Electric 5 96	10/81	652	64	65½	+2	18.08
Sumitomo Elec. 5½ 97	3/82	577.3	92½	93⅜	+3⅛	15.64
Sumitomo Met. 5⅛ 96	10/81	296.1	57⅛	59⅜	+3⅛	46.63
Swiss Bk. Cpn. 6⅛ 90	9/80	191	73	75	0	30.96
Konishiroku 6⅛ 88 DM	6/82	615	101	102	+0½	18.13
Mitsubishi H. 6 89 DM	2/82	263	88½	89½	+2⅛	37.91

* No information available—previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte=Date next coupon becomes effective. Spread=Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

Convertible Bonds: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

Hoechst interim earnings dip as margins suffer

BY KEVIN DONE IN FRANKFURT

HOECHST, THE leading West German chemicals group, suffered a fall of 20.5 per cent in group pre-tax profits to DM 558m ($227m) in the first half of 1982.

The performance underlines the pressure on profit margins in the chemicals industry coming in the wake of last week's announcement by BASF, one of the company's leading domestic rivals, of a 34.9 per cent drop in pre-tax profits.

Hoechst's turnover worldwide increased by only 4.5 per cent to DM 17.92bn compared with the corresponding period last year, while volume sales increased by around 3 per cent.

Turnover figures expressed in D-Marks show a smaller rise than in national currencies following exchange rate movements, particularly within the European Monetary System.

The small rise in sales was achieved exclusively abroad with foreign sales rising by 6.4 per cent in the first six months to DM 13.14bn, while domestic sales declined marginally by 0.3 per cent to DM 4.78bn.

Hoechst has been hit hard by the recession in important customer industries in the U.S., where its local subsidiary American Hoechst, has slipped into losses.

The group is also continuing to run up a big deficit in its commodity plastics operations, where it accumulated pre-tax losses of DM 220m last year.

Hoechst profits have also been falling in several Latin American countries. It is suffering too from the general weakness of the petrochemicals industry.

The main growth areas remained pharmaceuticals as well as information technology, dyestuffs and pigments, and surfactants.

The group's synthetic fibres side, which returned to the black in 1981 after running up substantial losses for several years, performed satisfactorily in Europe. But the business has suffered further setbacks in the U.S.

Exchange gains boost Toyota Motor

By Yoko Shibata in Tokyo

TOYOTA MOTOR, Japan's largest car manufacturer, reports higher profits for the year ended June, 1982, despite lower volume sales. The upturn is attributed primarily to foreign exchange gains resulting from the weakness of the yen.

This is the final business report for Toyota Motor, as previously constituted. The company merged with Toyota Sales on July 1, to form a new company.

Unconsolidated operating profits jumped by 34.6 per cent to Y306.18bn (81.36bn). Net profits were 6.7 per cent higher at Y141.59bn, on sales of Y3,849bn, up 9.8 per cent.

Unit sales declined by 99,158 to 3,155,784 with passenger car sales of 2,235,260 units, down by 41,728. Sales of trucks and buses dipped to 920,524 units, down by 57,430. Domestic unit sales improved but exports declined. In order to cover the fall in unit sales, the company increased knockdown sales by 35,680 units to 132,550.

Exchange gains during the year totalled Y120bn and the impact of rationalisation was worth Y197bn.

This year the value of sales by the new company is expected to reach Y4,800bn and unit sales are forecast to reach 3.3m. The company plans to step up its domestic sales to 1.67m units from 1.5m in 1981-82, but a 25,000 unit fall in exports is expected to 1.63m.

The company cannot count on a further depreciation of the year in 1982-83 and higher material costs such as for steel are expected. Earnings are therefore forecast to stay at the 1981-82 level.

Capital spending of Y260bn is planned for the year, an advance of 30 per cent over 1981-82.

Norsk Data well ahead so far

BY FAY GJESTER IN OSLO

NORSK DATA, the Norwegian computer manufacturer, reports steeply increased turnover and profits for the first half of 1982. Pre-tax profits rose by 143 per cent from NKr 5.1m to NKr 12.4m ($1.87m), while total operating income was 37 per cent up, at NKr 256m, against NKr 187m. Orders booked in the half-year — for hardware, software and maintenance — were worth NKr 266.5m compared with NKr 198.8m.

The company says it regards the satisfactory results as a sign of its growing competitiveness. Most of the increase in sales took place on the European market, during a period when Norsk Data's U.S. competitors reported very little growth in business, particularly in Europe.

The company expects sales, as in earlier years, to be much higher in the current half of the year. Moreover it is expected that the greater part of the year's profit will be earned in the second half.

So far this year "great progress" had been made on the UK market, where the company is now conducting its hitherto largest and most highty concentrated effort outside Norway.

The half-year report also commented on the competitive advantage of a strong dollar.

"Most of our competitors are American firms who have roughly 50 per cent of the expenditure in dollars when operating on the European market, whereas less than 20 per cent of Norsk Data's costs are in the U.S. currency."

Debt provisions hit Dutch bank

BY WALTER ELLIS IN AMSTERDAM

NET PROFIT at Nederlandse Credietbank, the fifth-largest Dutch commercial bank, fell by 40 per cent to Fl 5.7m ($2.1m) in the first six months of this year compared with the first-half of 1981.

As with other Dutch banks this year—the expansion of the provision for bad debts was largely to blame. Between January and June this year, Fl 27m was transferred to the provision for contingencies, against Fl 24.3m in the previous half year and Fl 17.7m in the first six months of 1981.

Most other items on the income side of the bank's six-months results are positive. Interest and foreign exchange trading rose from Fl 91.3m to Fl 97.8m. Fees and securities trading brought in Fl 54.2m against Fl 50.2m, and total income reached Fl 152m compared to Fl 141m.

Gross earnings were Fl 33.2m, compared with Fl 29.8m, but the debt provisions cut a swathe through this amount as company bankruptcies continued to mount in the Netherlands.

In common with other Dutch banks, Credietbank attributes its situation to the effects of the continuing economic recession. It expects little improvement in the current half of 1982 and foresees a reduction in the dividend for the 12 months.

● First half 1982 net profits at Westland Utrecht Hypotheekbank totalled Fls 21m, and not Fls 50m as stated on Saturday.

Samurai bond limits under discussion

By Richard C. Hanson in Tokyo

DISCUSSION IS under way within the Japanese securities industry on the idea of reducing the amount a single borrower can raise in one Samurai bond — the yen denominated bonds issued by foreigners in Japan.

The proposal is still very much in the formative stage, but the idea apparently emerged after the U.S. Government complained about how long borrowers had to queue to issue the bonds. By reducing the amount of each bond, the total number of issues, it is argued, could be allowed to increase.

This could mean that next year the current limit of Y20bn ($78.4m) for a top rated borrower (Y30bn for the World Bank) could drop by say Y5bn. Since July the limit on private placements of Samurai bonds has been reduced to Y5bn from Y10bn in order to let more issuers into the market.

Some underwriters, however, are not keen on the idea. Such a cut in the ceiling would certainly be unwelcome to major borrowers. There is at least some chance that changing market conditions (yen interest rates have risen slightly while dollar rates have drifted downward) will prompt a natural reduction in the queue.

A Japanese financial daily has claimed that underwriters and the Finance Ministry are more or less agreed to go ahead with a lowering of the ceiling starting next year. The Finance Ministry has called the report misleading but the main participants in the securities industry are expected to come up with some sort of reaction to the plan by the end of September.

This calendar year over 30 Samurai bond issues will have been made, in recent months at a pace of four to five issues per month totalling about Y70-80bn. Underwriters seem mostly satisfied with continuing next year at about the same pace.

Packer group reveals stake in Hooker

By Lachlan Drummond in Sydney

MR KERRY PACKER'S Consolidated Press Holdings has built up a 10.48 per cent stake in Hooker Corporation, the Sydney property group.

Mr Packer's magazine and television group has been building its holdings for almost a year but this was revealed only yesterday after purchases last week took the stake through the 10 per cent point at which companies are required to show their hands. Hooker, meanwhile, has been seeking to find the identity of nominee groups which had been active in its shares for some time.

Consolidated Press has not revealed its intentions, but Hooker is susceptible to a take-over as directors are believed to speak for only about 15 per cent of the capital.

Hooker shares have a net asset backing of more than 90 per cent. Mr Packer's group made its purchases at between an adjusted A$1.17 per share in November last year and 87 cents last Thursday, when 582,000 shares, nearly 0.5 per cent, were picked up.

Higher profit and payout from Westfield Holdings

BY OUR SYDNEY CORRESPONDENT

WESTFIELD HOLDINGS, the Sydney-based property and construction group, boosted net earnings by 17.35 per cent to A$6.08m ($5.93m) in the year to June 30 on revenues 42 per cent higher at A$92.61m.

The result reflects a slowdown in earnings growth from 20 per cent in the opening six months to 15 per cent in the second half year.

The increase in revenues resulted from both higher building activity and improved income from the shopping centres in which it specialises, the company says.

Directors are confident of further satisfactory growth in the current year and are paying out 50 per cent more in dividends at A$1.63m, with a final payment steady at 10 cents a share on capital increases by a one-for-one scrip issue. The unchanged 5 cents per share interim dividend was paid on pre-bonus capital.

The result was struck after tax of A$3.1m against A$2.73m and interest charges ahead from A$4.83m to A$5.65m. Depreciation was A$100,000 higher at A$580,000.

The result excluded a A$382,000 capital profit from the sale of fixed assets while last year there was a A$136,000 tax recovery. Attributable profit this year was A$6.47m against A$5.32m.

● NET PROFIT of Pacific Film, the Sydney film processing and photographic sales group, fell by 19.4 per cent in the year to June 30 to A$2.68m after a 43.2 per cent slump to A$954,000 in the final six months. Turnover was 8.7 per cent higher at A$82.5m.

The decline in earnings, after a decade of, at times, spectacular growth, will ease the way for the A$23m bid for the company by Mr Kerry Stokes, a Perth businessman. Directors of Pacific have already recommended acceptance of the 60 per cent a share bid from Mr Stokes, who has built a 19.9 per cent holding.

The company blames the fall in profits on extremely difficult trading conditions and increasing wage costs.

Static second half for Monier

BY OUR SYDNEY CORRESPONDENT

HIGH INTEREST rates and depressed housing markets held Monier, the building products group in which Redland of the UK has a substantial holding, to a 9 per cent increase in net earnings for the year to June 30.

Earnings almost came to a standstill in the final six months after a 12 per cent rise in the opening period, for an annual total of A$15.57m against A$14.34m. Sales were 27 per cent higher at A$415.1m.

Profit was struck after a 52 per cent increase in the interest bill to A$12.01m and tax of A$13.1m, compared with A$10.73m.

Results include an unspecified contribution from the Rocla group acquired early in the year and Monier said it has begun to benefit from the rationalisation of the concrete pipe industry resulting from the takeover.

An unchanged annual dividend of 11 cents is to be paid although the cost of the pay out will rise from A$9.5m to A$12.1m because of the shares issued in the acquisition.

PHILIPS

PHILIPS' LAMPS HOLDINGS
(N.V. Gemeenschappelijk Bezit van Aandeelen Philips' Gloeilampenfabrieken)

Half-Yearly Statement to 30th June 1982

This report combines the consolidated data of N.V. Philips' Gloeilampenfabrieken and those of the United States Philips Trust.

Report on the course of business

Given the continuing difficult economic situation, the development on both sales and results was satisfactory in the second quarter of 1982. Sales volume rose by 7% as compared with the corresponding quarter of 1981; profit after tax amounted to 1.2% as a percentage of sales (0.8% last year). The extent of the improvement in the second quarter of 1982 as compared with the corresponding quarter of last year must also be seen against the background of the very low level of results in the second quarter of 1981.

Sales in terms of volume rose by 6% in the first half year. Movements in foreign exchange rates, particularly the decreases in some important West European currencies, and the changes resulting from new and discontinued consolidations, had a negative effect on the development of the sales figures in guilders. This effect was partly compensated for by the increased price level so that on balance there was a resultant growth of 5% in terms of guilders. Trading profit increased by 10% to f1,152 million because partly as a result of the restructuring measures the improvement in trading profit in Europe was considerably greater than the decrease in the United States of America. As against the improved trading profit, finance charges continued to be high. There was a recovery in the results in some non-consolidated subsidiaries. Net profit rose from f 197 million to f 250 million.

The increased sales in the product sectors Home Electronics for Sound and Vision and Products and Systems for Professional Applications were well above the average for the Group as a whole. The sharp rise in Home Electronics for Sound and Vision is mainly attributable to the sales of colour television sets and video cassette recorders which were greatly stimulated by the World Cup Football Finals.

In Products and Systems for Professional Applications there was a substantial growth in the sales of word processors; in addition, sales of medical equipment developed favourably in the United States of America. In spite of considerably higher sales of colour picture tubes there was only a slight increase in turnover in the product sector Industrial Supplies. This is attributable to the unfavourable market situation for integrated circuits, although a slight improvement has been evident here in recent months. The growth in the sales of Lighting and Batteries was also below average, the main cause being the continuing adverse situation in the building construction market.

The geographical distribution of the sales growth in terms of guilders was strongly influenced by the decline in the foreign exchange rates of a number of West European currencies which are important to us and the rise in the rate of the US dollar. Disregarding these factors and the influence of new and discontinued consolidations, an equally high growth occurred in virtually all geographical areas. After some years of declining sales in the Netherlands, slight growth was again achieved in the first half year of 1982.

The improvement in trading profit was mainly realised in the product sector Home Electronics for Sound and Vision. In addition to the favourable development in sales, the effects of the restructuring measures were clearly evident in the results. This was also the case in the product sector of Industrial Supplies where they led to a substantial improvement in the results in Western Europe. The poor course of business in integrated circuits in the United States of America, however, had a strong negative effect on the trading profit in this product sector.

Viewed geographically there was an improvement in trading profit in Europe, while a decline occurred in the geographical areas of USA and Canada, Asia and Africa.

Stocks as a percentage of sales, which fell by 6.4% as compared with the level at 30 June 1981, were affected by movements in exchange rates. If the effects of this are eliminated the relative stock level has gone down by approximately 3%. The credit period was maintained at the level of 2.4 months.

The decrease of 3,700 in the number of employees in the first six months of 1982 occurred in all product sectors. Viewed geographically, substantial decreases took place in the EEC, Latin America and the Far East.

Despite the fact that there is still no recovery in the economy, we maintain our expectation that the sales volume for 1982 will increase by between 5 and 6% and that the level of the results for the year as a whole will be slightly higher than last year.

Amounts in millions of guilders	1982 2nd quarter	1982 Jan. to June	1981* 2nd quarter	1981* Jan. to June
Sales	10,620	20,446	10,083	19,445
Trading profits	591	1,152	508	1,043
Revaluation included in costs	181	345	169	326
Financing charges	−425	−891	−446	−785
Miscellaneous income and charges	−17	25	53	75
Tax on profit	−123	−236	−119	−272
Profit after tax on the basis of historical cost	207	395	165	387
Addition to revaluation surplus realised for financing with Shareholders' interests	−83	−159	−89	−161
Profit after tax	124	236	76	226
Share in net result of non-consolidated companies	34	56	21	32
Minority interests	−24	−42	−34	−61
Net profit	134	250	63	197
Trading profit as a percentage of sales	5.6	5.6	5.0	5.4
Profit after tax as a percentage of sales	1.2	1.2	0.8	1.2
Net profit as a percentage of Shareholders' interests	4.2	4.0	2.0	3.2
Net profit per ordinary share of f 10 (in guilders)	0.74	1.38	0.35	1.09
Do. per ordinary share of f 10 based on historical cost (in guilders)	1.11	2.14	0.80	1.91

At end of June	1982	1981
Stocks (as a percentage of sales in the last 12 months)	29.5	35.9
Average credit period for trade debtors (in months)	2.4	2.4
Liquid assets	1,016	1,050
Total liabilities as a percentage of total capital employed	59.1	58.5
Number of employees (comparative number at 1 January 1982: 347,400)	343,700	362,300
of which in the Netherlands (comparative number at 1 January 1982: 76,300)	75,100	77,600

*Figures restated to make them comparable in conformity with the changed principles of calculating profit, as mentioned in the Annual Report for 1981.

The profit before tax based on current value was f 472 million in the first half year of 1982 compared with f 498 million in the first half year of 1981.

In calculating profit and capital employed, allowance has been made for an estimated proportion of those provisions which, as anticipated, will have to be made at the end of the financial year.

Net profit per ordinary share of f 10 (in guilders) in 1982 and 1981 has been calculated on the basis of the number of ordinary shares as at 30th June 1982 and 31st December 1981.

N.V. Philips' Gloeilampenfabrieken
THE BOARD OF MANAGEMENT   Eindhoven, 19 August 1982.

WORLD STOCK MARKETS

Dow ahead 9.7 more by 1pm

AFTER AN easier start, Wall Street soon resumed last week's steep rally in extremely heavy early dealings yesterday, still bolstered by falling U.S. interest rates.

Analysts said institutional investors are apparently still laden with cash, and when prices were down at the outset, they started buying heavily again.

The Dow Jones Industrial Average, which last week soared 81.24, a record weekly rise, eased about 4½ points yesterday before rallying further to 879.00 by 1 pm, a net 9.71 higher. The NYSE All Common Index climbed 99 cents more to $65.64 with advances leading declines by three-to-one. Turnover swelled to 78.54m shares from Friday's 1 pm level of 60.65m.

Persistent rumours that the Federal Reserve would cut the Discount Rate by another half a point sometime this week gave the market further impetus. The Discount Rate, on funds loaned to banks by the Fed, was currently standing at 10½ per cent.

Monte Gordon, of Dreyfus Corporation, said investors are hopeful that the recent interest rate declines will cause the economy to start its long-awaited recovery. The most active stocks and the best performances yesterday tended to be those concentrated in industries that could be the first beneficiaries of an economic upturn.

Motor issues were a prime example of that pattern. General Motors put on ¾ to $48¾ and Ford $1 to $28¾, both in heavy trading, even though car sales so far this summer have been very poor.

Transportation stocks, another cyclical group, were also strong, and the Dow Jones Transportation Average was up more than nine points. Delta rose $1¾ to $29¾, UAL $⅞ to $19¾, Southwest Airlines $1¾ to $44½, Burlington Northern $2 to $38¾ and Union Pacific $1¾ to $34½.

Cities Service fell $3¾ to $44½. Amerada Hess said late on Friday that it may buy some of Cities Service's operations but no offer had yet been announced.

THE AMERICAN SE Market Value Index was 3.70 stronger at 259.22 at 1 pm. Volume 4.26m shares (3.56m).

Canada

Gold shares led most sectors further ahead yesterday morning in moderate dealings. The Toronto Composite Index added 5.5 at 1,530.4 at noon, while Golds, responding to the higher Bullion price, rose 84.1 to 2,283.1 on index. Oil and Gas gained 22.7 at 2,545.2.

Most active Dome Petroleum rose 40 cents to C$4.35 and Pan-canadian Petroleum 2¼ to C$80¼.

Tokyo

Export-orientated Blue Chips led a renewed market rally yesterday in a moderately active session, drawing strength from Wall Street's fresh upsurge last Friday and the yen's continued recovery against the U.S. dollar.

The Nikkei-Dow Jones Average advanced 85.03 to 7,053.49, topping the 7,000 level for the first time in the past two weeks. The Tokyo SE index moved ahead 5.89 to 525.00, while volume came to 240m shares, against last Friday's 200m.

Computer manufacturers, Motors, Electricals, Precision Instruments, Industrial Robot Makers and Optical Fibres were favoured.

Hitachi rose Y18 to Y595, Fujitsu Y23 to Y828, Toshiba Y17 to Y300, Nippon Electric Y27 to Y802, Toyota Motor Y20 to Y870, Honda Motor Y18 to Y712, Canon Y32 to Y841, Ricoh Y30 to Y565, Sony Y80 to Y3,200, Victor Japan Y100 to Y2,190, Yaskawa Electric Y24 to Y546, Sumitomo Electric Y29 to Y522 and Matsushita Electric Y40 to Y1,030.

Oils benefited from the yen's firmer tone, while Non-Ferrous Metals followed the upswing in the Bullion price abroad. Nippon Oil climbed Y16 to Y845.

Steels and Shipbuilders were also higher, with Nippon Steel adding Y4 at Y133, Kawasaki Steel Y6 at Y125 and Hitachi Shipbuilding Y3 at Y144.

Low-priced Domestic Industry issues tended to harden, but many operators adopted a wait-and-see attitude in that sector.

Germany

The fresh decline in U.S. interest rates on Friday, and Wall Street's buoyant finish for a record week's rise, spurred West German shares further ahead yesterday. The Commerzbank index climbed 9.3 more to 675.4.

Amid expectations of further Bundesbank interest rate cuts, Commerzbank rose DM 3.10 to DM 123, Deutsche Bank DM 4 to DM 261, Dresdner Bank DM 2 to DM 126 and Bayernverein DM 7 to DM 278.

In Chemicals, Hoechst gained DM 1.50 at DM 107.50 despite a 20.5 per cent fall in first-half world profits. Bayer added DM 2.10 at DM 108.30. In Stores, a large buying order for Karstadt helped to drive the price up DM 9.20 to DM 218.

Among Engineerings, GHH forged ahead DM 6.80 to DM 184.80 and Linde DM 6 to DM 282.

Australia

Further cuts in U.S. interest rates last Friday, firmer base metal prices and the continued rebound in the international Gold Bullion price boosted Metal, Minings and some Resources-related issues yesterday. However, Industrials were mixed to easier as traders took a cautious view of last week's upsurge on Wall Street. Oil issues were not widely sought and ended mixed, as many investors feel the Opec price and production controls will break down soon.

The Australian All Ordinaries Index picked up 3.7 to 467.7 and the Metals and Minerals sub-group index advanced 9.5 to 372.7, but Industrials slipped 1.0 to 603.5.

BHP moved ahead 18 cents to A$6.98 and CSR 5 cents to A$2.60, while Coals concern UMAL put on 7 cents to A$2.05.

The Golds sector had GMK up 40 cents at A$4.80, Central Norseman 24 cents stronger at A$5.84 and Poseidon 15 cents higher at A$2.85.

Among Base Metal Mines, Western Mining rose 12 cents to A$3.27, MIM 15 cents to A$3.15 and CRA 12 cents to A$3.40.

Hooker, up 5 cents at 94 cents, was actively traded in the Properties group on talk that Packers Consolidated Press had built up a strong base for a bid. However, the rest of the Properties were under some selling pressure, as were most Building Materials issues, Transports and Retailers.

Hong Kong

A larger-than-expected cut of 1½ percentage points in local prime lending rate, coupled with Wall Street's further sharp rally last Friday, sparked off a fresh recovery on Hong Kong markets yesterday.

Afternoon selling trimmed some gains, but the Hang Seng index was still 32.97 ahead at the close at 1,067.65, after recording a rise of 41.56 at 11.00 am. There was a fair turnover of HK$299.53m on the four exchanges, exceeding Friday's HK$259.44m.

Properties figured prominently in the market's rise, Cheung Kong improving 40 cents to HK$11.50, HK Land 20 cents to HK$6.35, Paul Y 12.5 cents to HK$3.925, Sun Hung Kai Properties 45 cents to HK$5.30 and Swire Properties 40 cents to HK$6.60.

Hang Seng Bank put on HK$1.50 to HK$64 following Friday's interim results.

Johannesburg

After an easier morning session, Gold shares forcefully resumed their rally as the Bullion price topped $395 an ounce. Randfontein rose R5 to R79 and Vaal Reefs R3 to R78.50.

Closing prices for North America were not available for this edition.

NEW YORK

CANADA

Stock	Aug. 20	Aug. 19
AMCA Intl	12⅝	19¼
Abitibi	17¾	17⅝
Agnico Eagle	P¾	2.12
Alcan Alumin	27	25⅝

BELGIUM (continued)

Aug. 23	Price Frs.	+ or —
Petrofina	4,495	—15
Royale Belge	5,040	—10
Soc. Gen. Banq.	2,225	—25
Soc Gen Belge	1,162	+15
Sofina	3,550	+55

HOLLAND

Aug. 23	Price Fls.	+ or —
ACF Holding	78.3	+0.3
Ahold	22.4	+1.1
AKZO	25.2	—0.1
ABN	246.5	+3
AMEV	87.5	+1
AMRO	38.2	+0.7

AUSTRALIA

Aug. 23	Price Aust. $	+ or —
ANZ Group	3.30	—0.02
Acrow Aust	1.30	
Ampol Pet	1.16	—0.02
Assoc. Pulp Pap	1.45	
Audimco	0.10	+0.02
Aust. Cons. Ind.	1.23	—0.02

JAPAN (continued)

Aug. 23	Price Yen	+ or —
Kubota	382	
Kumagai	373	+16
Kyoto Ceramic	3,730	—30
Lion	353	+1
Maeda Const.	510	+5
Makita	696	—3
Marubeni	272	

DENMARK

FRANCE

GERMANY

AUSTRIA

BELGIUM/LUXEMBOURG

ITALY

NORWAY

SWEDEN

SWITZERLAND

SOUTH AFRICA

HONG KONG

JAPAN

SINGAPORE

BRAZIL

Financial Rand US$0.76 (Discount of 13%)

Indices

NEW YORK —DOW JONES

STANDARD AND POORS

NY. S.E. ALL COMMON

MONTREAL

TORONTO Composite

NEW YORK ACTIVE STOCKS

NOTES—Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

Source: Rio de Janeiro SE.

Interest rate optimism takes Gilt-edged higher still but equities react on troubled UK industrial scene

Account Dealing Dates

Option

*First Dealings	Declarations	Last Dealings	Account Day
Aug 16	Sept 2	Sept 3	Sept 13
Sept 6	Sept 16	Sept 17	Sept 27
Sept 20	Sept 30	Oct 1	Oct 11

* "New time" dealing may take place from 9 am two business days earlier.

The boom in London Gilt-edged securities continued yesterday. Despite faltering in the late afternoon, quotations recorded further gains ranging to 1½ points and the Government Securities index which last week rose a massive 3.88, advanced 0.79 further to 78.92 its highest since October 6 1977.

Last Friday's cuts in U.S. prime rates to 13½ per cent and the fall in the U.S. Federal Funds rate to 8¾ per cent gave fresh impetus to the Gilt-edged market and encouraged strong hopes of yet another reduction in UK clearing bank base rates; talk was in money markets that the clearers would reduce rates to 10½ per cent this week.

Further domestic and overseas investment demand took long-dated stocks up two points before interest began to tail off and quotations settled with rises of 1¾ on balance. Short-dated issues were more volatile and usually finished without alteration. Against the trend, the two Convertible stocks, Treasury 12½ per cent 1986, at 108½, and Treasury 12 per cent 1985, at 107½, rose ½ and ¾ respectively.

In complete contrast, leading shares passed a rather uninspiring trading session. Much of last week's enthusiasm faded against a backdrop of domestic economic worries, emphasised by weekend news of the threat to 3,000 jobs in the British Steel industry and the lay-offs at BL and Dunlop.

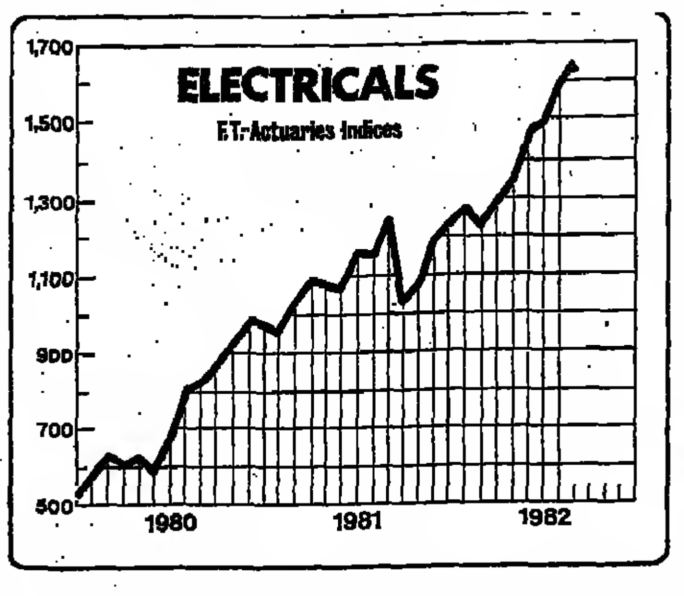
Last Friday's sharp advance on Wall Street bolstered confidence initially and prompted jobbers to open leading industrials higher. Institutional buyers, however, were not prepared to chase prices higher and the tone wilted as persistent small offerings found most equity sectors unwilling.

Measuring the trend, the FT 30-share index recorded a rise of 3.5 at the 10 am calculation, but thereafter slipped progressively to close 4.1 down on balance at 576.5, a relatively modest loss when viewed against last week's jump of 35.7.

Home Banks loner

The major clearing banks made a quietly dull start to the week with sentiment still affected by the Mexican financial crisis and by recent comment highlighting the effects of lower base rates on profits. Midland, 302p, and NatWest, 402p, cheapened 6 apiece, while Barclays relinquished 4 to 372p and Lloyds gave up 3 to 405p. Marked up at the outset in sympathy with the latest upsurge in gilts, Discount Houses retreated on lack of follow-through support to close easier for choice. Union touched 530p before closing a net 7 easier at 520p, while Cater Allen dipped the same amount to 360p, after 370p. Clive softened 2 to 33p and Smith St Aubyn eased a penny to 43p, after 46p.

Life Insurances turned irregular after last week's rise on consideration of their sizeable Gilt-edged portfolios. Hambro Life managed a further improvement of 4 to 254p and Legal and General edged forward 2 more to 277p, but Britannic lost 6 to 272p and Equity Law softened 2 to 464p.



Berkeley and Hay Hill Investments, formerly dealt under Rule 163(2) a, made a very quiet debut in the Unlisted Securities Market, failing to stir from the opening level of 8p.

Having out-performed many equity markets in recent weeks, Breweries succumbed to profit-taking and finished with falls across the board. Whitbread, 131p, and Bass, 254p, eased 3 and 4 respectively, while Scottish and Newcastle, a rising market of late following the chairman's comments at the annual meeting, eased a fraction to 73½p in a brisk business. Grand Metropolitan opened a shade firmer at 282p, but quickly came under pressure and slipped to 273p before settling for a net fall of 2 at 276p. Regionals featured South London concern Youngs which rose 6 to 218p. Vaux added 2 at 177p. Wines and Spirits were irregular. Arthur Bell touched 206p before a close of 200p, down 4 on balance, while Distillers eased a couple of pence to 199p. In contrast, Highland attracted renewed interest and rose 5 to 98p.

More Newspaper comment highlighting fears of competition from cheap cement imports unsettled Rugby Portland Cement, which gave up 5 at 86p. Blue Circle, dull of late on worries about the Mexican peso, rallied a couple of pence to 400p; the interim results are due tomorrow. Ready Mixed Concrete met with renewed support and put on 4 to a 1982 peak of 274p, while Tarmac gained the same amount to 360p. BPB edged up a couple of pence to 442p. Marchwiel remained a firm counter and added 4 more to a high for the year of 144p, but Costain encountered occasional selling and shed 5 to 245p. Elsewhere, Crouch Group attracted support following a broker's favourable circular and firmed 4 to 94p.

Marked up to 298p at the outset in the wake of Friday's Wall Street performance, ICI drifted back to 290p before closing unaltered on balance at 292p. Among other Chemicals, Coalite met with revived interest and improved 4 to 143p, while Hickson and Welch gained the same amount to 247p. International Paint hardened a couple of pence more to 217p, but Blagden Industries closed 2 cheaper at 96p following the interim results.

Currys good again

Lack of investment incentive left major stores slightly easier. Press comment advising caution clipped a couple of pence from Debenhams, 76p. W. H. Smith shed a like amount to 200p, having attained a new 1982 peak of 204p earlier in the day. Secondary issues attracted a small two-way trade, with buyers just holding sway. Still bolstered by talk that the relaxation in credit restrictions will prove especially beneficial to electrical retailers lifted Currys 6 more to 190p. Elsewhere, Vantona added 5 to 121p, and Home Charm firmed a couple of pence further to 182p.

In Shoes, favourable comment helped Pittard put on 2 to 58p.

Marked up a few pence or so at the outset, leading Electricals came back on lack of follow-through support. A dull market last week following the disappointing first-quarter figures, Plessey rallied to 518p before finishing a net further 3 off at 512p. BICC gave up a couple of pence to 300p, while Thorn EMI lost an early 5 rise to close unaltered at 440p. Elsewhere, United Electronics, dealt in the Unlisted Securities Market, fell 3½ to 16½p on the late announcement that joint-receivers had been appointed to its Video Wholesaling subsidiary. Global Miles 133 were friendless at 145p, down 10, but ICL hardened 2 to 58p on reports that the group was poised to win a £50m. contract to computerise Britain's 800 local tax offices. MK rose 7 to 212p in response to Press comment, while Wholesale Fittings firmed 8 to 263p.

Interest in Engineerings was at a low ebb. GKN drifted down 3 to 147p and TI lost a couple of pence to 102p. Elsewhere, news of redundancies at its Bristol corrugated board machinery factory prompted a reaction of 2 to 143p in Molins. William Cook (Sheffield) softened a fraction to 10½p ahead of Thursday's preliminary figures. Victor Products added 3 to 153p on Press comment and Barton rose 2½ to 30p for a similar reason. Ahead of next month's Farnborough Air show, Westland improved 2 to 137p.

Buyers continued to show interest in Foods, albeit on a more selective basis. J. Sainsbury advanced another 5 to a fresh peak of 358p, while Linfood gained a similar amount to 214p. Hillards, 170p, and William Morrison, 160p, put on 4 apiece. Associated Dairies, after opening 6 higher in the wake of favourable Press comment, reacted to close unchanged on balance at 150p; the annual results are due tomorrow. Elsewhere, Bernard Matthews gained 5 to 110p following reports of rising poultry prices, while Hazlewood, still drawing strength from a recent investment recommendation, advanced 18 to a 1982 peak of 298p.

AGB Research down

AGB Research took a distinct turn for the worse in miscellaneous industrials, falling 17 to 275p, after 270p, on adverse Press comment. Hollis Bros ESA softened a penny to 11p following the poor preliminary statement but Aeronautical and General Instruments responded to an investment recommendation with a rise of 20 at 280p. Smith and Nephew appreciated 4 to 133p for a similar reason, while European Ferries were marked up 1½ to 63½p on the late announcement that the Government have granted the company permission to redevelop the St Mary Overy's Dock site at Southwark. Lep Group firmed 10 to 430p.

The weekend announcement of an extra two weeks' break in the production of BL's Metro and Mini range owing to falling world demand for small cars prompted weakness in major supplier Lucas, 6 lower at 144p. Other Motor Components trended easier in sympathy with Dunlop a penny cheaper at 62p. Elsewhere, ERF added 2 to 43p following news of a sizeable order to supply trucks to Saudi Arabia.

Properties turned easier despite continued interest rate optimism and, although selling was light, lack of support left MEPC 9 down at 187p and Land Securities 3 off at 287p. Slough Estates lost the turn at 101p awaiting tomorrow's interim results. Among secondary issues, York Mount and Thames Investments, both dealt in the Unlisted Securities Market, gained 5 apiece to 70p and 98p respectively. Mountleigh improved 2 to 7¾p following the good preliminary results and chairman's confident statement.

Oils drift

A shade firmer at the opening in line with other equity sectors, Oils drifted back in the absence of worthwhile support to close with modest losses on balance. Shell ended 4 cheaper at 400p and British Petroleum 2 easier at 280p, the latter's interim results are due on September 2. Nervous selling in front of today's half-year figures left Lasmo 8 down at 340p. Elsewhere, Sovereign shed 15 to a 1982 low of 235p.

Recovery hopes lifted meat traders Thomas Borthwick 2 to 11p.

Investment Trusts generally showed useful gains reflecting last week's equity strength. Continental and Industrial added 7 at 277p, while Alliance Trust firmed 4 to 318p. Gresham Trust gained the turn to 92p after a buy recommendation. Financials featured stockjobbers Akroyd and Smithers, which advanced 13 to 283p aided by the recent hectic business in gilt-edged securities.

P & O Deferred encountered "put" option activity and closed 3 off at 157p. Mersey Docks held at 20½p; the announcement that the company has lost over £1m in July had no effect on sentiment.

Golds erratic

An erratic performance by the bullion price led to nervous trading in South African Golds. Initially weak and trading around $377 an ounce, bullion moved ahead sharply and touched $398 before easing back to close a net $9.25 firmer at $393.50.

Golds were equally erratic and mirrored the swings in the metal price. Light profit-taking accompanied an initial mark-down and share prices fell accordingly.

However, a sharp rally developed towards midday and this movement continued until the extended afternoon gold fix when the market paused for breath.

Thereafter, prices resumed their upward path and closing levels were usually around the day's best. The Gold Mines index responded with a further 10.6 rise to 314.4—its ninth successive gain and the highest since December 24 last year.

South African Financials made good progress, buoyed by the renewed strength in Golds. De Beers were active and finally 6 better at 258p ahead of the interim dividend and half-year results scheduled for today.

London Financials were again featured by Gold Fields, up 8 more to 478p, as further heavy buying interest followed the latest upsurge in the bullion price; the company's full-year results are due in mid-September.

Australians remained subdued with the exception of Golds. Central Norseman advanced 15 more to 335p. GMK added a like amount to 270p, Poseidon put on 6 to 152p and North Kalgurli 3½ to 21p.

Despite the lacklustre performance of equities, volume in Traded Options held up well and 2,405 contracts were done—1,738 calls and 667 puts. The strength of the bullion price and subsequent demand for gold shares resulted in Consolidated Gold Fields recording 296 calls.

FINANCIAL TIMES STOCK INDICES

	Aug. 23	Aug. 20	Aug. 19	Aug. 18	Aug. 17	Aug. 16	A year ago
Government Secs.	78.92	78.16	76.88	77.80	76.42	75.49	64.48
Fixed Interest	77.98	77.53	76.95	76.67	76.09	74.23	66.46
Industrial Ord.	576.5	580.6	569.7	579.2	558.2	545.8	566.0
Gold Mines	314.4	303.8	283.7	262.6	270.0	265.6	367.3
Ord. Div. Yield	6.16	6.13	6.21	6.19	6.31	6.41	6.57
Earnings, Yld.% (full)	11.46	11.39	11.58	11.41	11.80	12.03	9.38
P/E Ratio (net) (*)	10.48	10.53	10.56	10.53	10.17	9.98	14.06
Total bargains	25,814	25,652	28,890	27,682	19,274	17,170	13,170
Equity turnover £m.	—	176.04	160.85	272.30	128.55	102.97	87.76
Equity bargains	—	15,624	16,446	19,330	11,602	10,295	11,700

10 am 584.1. 11 am 579.9. Noon 579.4. 1 pm 577.9.
2 pm 577.5. 3 pm 577.5.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

Latest Index 01-246 8026.

*Nil=9.76.

HIGHS AND LOWS

	1982 High	1982 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	78.92 (23/8)	61.69 (5/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	77.98 (23/8)	62.76 (7/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	594.0 (6/8)	516.1 (5/1)	597.9 (30/4/81)	49.4 (26/6/40)
Gold Mines	314.4 (23/8)	161.2 (22/6)	558.9 (22/9/80)	43.5 (26/10/71)

S.E. ACTIVITY

	Aug. 20	Aug. 19
—Daily		
Gilt Edged Bargains	979.9	429.4
Equities Bargains	103.2	116.5
Value	361.9	329.1
5-day Avrge.		
Gilt-Edged Bargains	569.0	543.0
Equities Bargains	98.4	93.6
Value	341.1	320.0

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Mon Aug 23 1982 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Fri Aug 20 Index No.	Thurs Aug 19 Index No.	Wed Aug 18 Index No.	Tues Aug 17 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (209)	412.02	−0.4	9.33	4.08	13.38	413.70	410.05	415.01	401.21	371.50
2	Building Materials (23)	344.45	−0.1	11.88	5.35	10.16	344.68	344.78	350.65	337.03	326.15
3	Contracting, Construction (28)	643.28	+0.2	13.62	4.80	8.78	641.80	641.86	649.78	629.39	594.29
4	Electricals (31)	1629.15	−0.8	6.64	1.99	19.74	1642.65	1627.70	1650.81	1593.19	1229.87
5	Engineering Contractors (11)	476.83	—	13.77	6.34	8.77	476.98	474.46	479.15	468.45	500.84
6	Mechanical Engineering (67)	204.07	+0.2	11.86	5.77	10.12	203.70	200.68	202.68	196.64	212.44
8	Metals and Metal Forming (11)	155.37	−0.3	12.09	7.81	10.25	155.98	152.51	153.87	148.49	167.35
9	Motors (20)	81.96	−1.8	3.00	8.51	—	83.44	81.18	82.45	78.79	104.34
10	Other Industrial Materials (18)	350.28	−0.1	10.56	6.10	11.58	350.55	347.58	348.71	338.88	396.36
21	CONSUMER GROUP (202)	335.12	−0.1	11.91	5.20	10.16	335.40	329.15	333.22	322.55	288.98
22	Brewers and Distillers (22)	378.78	−0.8	12.59	5.49	9.65	381.78	371.96	376.68	365.23	302.59
25	Food Manufacturing (22)	285.02	−0.4	15.90	6.37	7.35	286.06	281.62	283.39	274.97	278.73
26	Food Retailing (14)	710.46	+0.8	8.40	3.16	14.60	705.02	696.17	698.44	673.55	556.76
27	Health and Household Products (9)	518.25	+0.5	6.63	3.28	17.79	515.49	507.27	511.68	496.52	358.12
29	Leisure (23)	427.28	−0.3	9.85	5.49	12.87	428.43	418.18	425.37	408.37	461.91
32	Newspapers, Publishing (13)	529.09	+0.2	12.02	5.92	10.38	528.25	529.08	530.05	526.85	500.82
33	Packaging and Paper (14)	138.65	−0.8	17.38	8.00	6.69	139.72	139.86	142.32	135.11	154.30
34	Stores (45)	301.55	−0.3	9.66	4.63	15.75	302.45	294.11	298.69	288.87	268.00
35	Textiles (23)	166.81	+1.6	13.86	6.41	8.77	164.25	164.82	166.45	161.23	162.81
36	Tobaccos (3)	353.11	—	22.67	7.83	4.93	352.98	349.57	358.49	348.89	267.19
39	Other Consumer (14)	265.17	+0.7	6.45	5.91	30.57	263.24	261.09	261.26	256.14	289.57
41	OTHER GROUPS (76)	259.06	—	13.11	6.52	9.17	259.15	257.17	259.80	248.68	234.87
42	Chemicals (15)	336.93	−0.1	14.60	7.11	8.15	337.23	333.60	336.31	320.36	295.94
44	Office Equipment (4)	100.40	+0.7	16.20	8.70	7.58	99.66	100.05	102.26	98.26	113.14
45	Shipping and Transport (13)	568.15	+0.3	13.43	7.19	9.29	566.53	561.52	563.88	546.74	533.16
46	Miscellaneous (44)	345.22	−0.2	11.26	5.50	10.65	345.81	343.77	347.99	333.22	311.41
49	INDUSTRIAL GROUP (487)	350.58	−0.2	11.09	4.95	11.00	351.32	346.58	350.66	338.80	309.38
51	Oils (13)	687.79	−0.9	23.08	8.47	4.90	693.71	671.07	672.88	662.77	722.71
59	500 SHARE INDEX	378.24	−0.3	12.83	5.46	9.33	379.39	373.14	377.06	365.38	342.91
61	FINANCIAL GROUP (117)	251.82	−0.3	—	6.86	—	252.66	248.86	251.58	245.19	276.34
62	Banks (6)	258.80	−1.2	39.16	9.24	2.81	261.81	259.47	267.04	258.09	279.66
63	Discount Houses (9)	281.66	−1.5	—	8.29	—	286.06	272.06	276.21	262.07	274.75
65	Insurance (Life) (9)	285.53	+0.3	—	6.41	—	284.54	271.52	270.28	263.12	290.77
66	Insurance (Composite) (10)	160.89	+0.4	—	8.82	—	160.21	157.58	157.92	155.44	185.29
67	Insurance Brokers (7)	521.72	−0.4	10.69	4.98	12.77	523.93	523.01	524.27	515.41	431.03
68	Merchant Banks (12)	142.43	+0.4	—	6.23	—	141.88	141.54	143.57	139.26	173.33
69	Property (49)	428.89	−0.5	5.41	3.78	24.76	431.22	427.50	432.24	421.58	493.26
70	Other Financial (15)	166.52	−0.5	18.49	6.98	6.23	167.36	165.28	166.11	161.80	185.88
71	Investment Trusts (111)	307.97	+1.4	—	5.38	—	303.83	301.75	302.50	298.44	327.41
81	Mining Finance (4)	228.20	+0.8	13.86	6.22	9.04	226.47	216.25	219.89	209.00	278.13
91	Overseas Traders (18)	368.59	+0.3	14.22	8.69	8.60	367.39	361.37	367.22	355.75	433.51
99	ALL-SHARE INDEX (750)	345.30	−0.2	—	5.74	—	345.94	340.29	343.80	333.15	330.28

FIXED INTEREST

	PRICE INDICES	Mon Aug 23	Day's change %	Fri Aug 20	xd adj. today	xd adj. 1982 to date
	British Government					
1	5 years	118.36	+0.05	118.30	—	8.22
2	5-15 years	127.87	+0.83	126.81	—	9.16
3	Over 15 years	134.58	+1.34	132.80	—	9.45
4	Irredeemables	138.17	+1.91	135.59	—	7.27
5	All Stocks	126.65	+0.78	125.67	—	8.90
6	Debentures & Loans	99.14	+1.31	97.86	—	7.67
7	Preference	70.16	+0.09	70.09	—	5.10

	AVERAGE GROSS REDEMPTION YIELDS		Mon Aug 23	Fri Aug 20	Year ago (approx.)
	British Government				
1	Low Coupons	5 years	8.93	8.99	12.46
2		15 years	10.56	10.70	13.23
3		25 years	10.76	10.93	13.47
4	Medium Coupons	5 years	10.87	10.91	14.71
5		15 years	11.36	11.53	15.20
6		25 years	10.99	11.17	14.74
7	High Coupons	5 years	10.96	11.00	14.67
8		15 years	11.58	11.76	15.38
9		25 years	11.24	11.46	14.96
10	Irredeemables†		10.80	11.00	13.06
11	Debs & Loans	5 years	12.23	12.57	15.61
12		15 years	12.74	12.94	15.84
13		25 years	12.81	12.96	15.85
14	Preference†		13.95	13.96	15.84

† Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A new list of constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

NEW HIGHS AND LOWS FOR 1982

NEW HIGHS (210)

BRITISH FUNDS (59)
INT. BK. & O'SEAS GOVT. STLG. ISS. (1)
CORPORATION LOANS (9)
COM'WEALTH & AFRICAN LOANS (2)
LOANS (7)
FOREIGN BONDS (3)
AMERICANS (13)
CANADIANS (1)
BANKS (8)
BEERS (7)
BUILDINGS (11)
CHEMICALS (3)
DRAPERY & STORES (10)
ELECTRICALS (12)
ENGINEERING (1)
FOODS (4)
HOTELS (1)
INDUSTRIALS (12)
INSURANCE (1)
LEISURE (1)
MOTORS (1)
PAPER (1)
PROPERTY (2)
SHOES (1)
TEXTILES (2)
TRUSTS (20)
OIL & GAS (1)
MINES (21)

NEW LOWS (13)

BANKS (1)
Bank N.S.W.
BUILDINGS (1)
Leyland Paint
ELECTRICALS (1)
United Electronic
ENGINEERING (1)
Cook (W.) (Sheffield)
FOODS (1)
Pyke Hldgs.
INDUSTRIALS (4)
Carlton Inds. Redfearn Nat. Glass
Radiant Metal Sutcliffe Speakman
LEISURE (1)
Trident TV A
TEXTILES (1)
Illingworth Morris
TRUSTS (1)
Int. Inv. Tst. Jersey
OIL & GAS (1)
Sovereign Oil

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	64	3	26
Corpns. Dom. & Foreign Bonds	27	9	43
Industrials	301	171	856
Financial & Props.	220	54	238
Oils	25	22	61
Plantations	—	3	16
Mines	78	12	65
Others	91	10	46
Totals	806	281	1,354

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Aug 9	Aug 20	Nov 11	Nov 22
Aug 23	Sept 3	Nov 25	Dec 6
Sept 13	Sept 24	Dec 9	Dec 20

For rate indications see end of Share Information Service

Money was given for the call of Hong Kong and Shanghai Banking, J. Sainsbury, Turner and Newall, Celtic Haven, TI, De Beers Deferred, Raglan Property own and City Properties, Thomas Tilling, Mount Charlotte, Marling Industries, Chloride and Berton Group. Puts were done in Hoolamat and P & O Deferred, while doubles were arranged in Turner and Newall and Johnson Group Cleaners.

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. date	1982 High	1982 Low	Stock	Closing price p	+ or −	Div. p. or amount	Times Covered	Gross Yield	P.E. Ratio
¶¶	F.P.	—	46	35	✠Anglo-Nordic 9p	37½	+1½	b0.89	2.0	9.4	21.1
¶¶	F.P.	—	82½	75	Antofagasta Hldgs£1	75	......	7.0	5.6	13.3	9.3
¶¶	—	30/7	20	11	Argyll Foods Warr'ts.	18	......	—	—	—	—
§46	F.P.	—	46	34	Atlantis Res. Int.	38	......	—	—	—	—
—	F.P.	—	24	24	Boradin Holdings 5p	96	+1	0.66	1.3	4.0	24.7
‖ ‖	F.P.	—	8	8	✠BorkcloyH.H.Inv10p	8	......	—	—	—	—
63	F.P.	7/9	79	44	✠Bio-Isolates 10p	72	−1	—	—	—	—
§66	F.P.	10/9	45	36	✠Coleman Milne 10p	44	−1	u1.5	3.2	4.9	7.1
¶¶	F.P.	—	91	29	✠Dolmar Group	29	−1	u1.68	2.4	8.9	7.9
—	F.O.	29/11	109	96	✠Ecobric New Ord£1	69	.....	bd10.5	1.8	15.6	4.6
—	F.O.	—	93	67	✠ Do. Defd.	60	......	—	—	—	—
80	F.P.	24/9	98	48	✠Hadson Oet. Int. 5p	99	−?	—	—	—	—
§110	F.O.	17/9	162	159	✠Int'europeTech.20p	160	......	u4.0	1.8	3.9	22.4
160	F.O.	9/8	60	48	✠Knight Cmptr Int5p	52	+4	bd1.9	2.0	4.4	16.4
§137	F.P.	30/7	197	150	✠McCarthy&Stone	196	......	b5.79	2.7	4.2	11.8
¶120	F.P.	27/6	172	153	Multitone Elect	170	......	u2.52	3.4	2.1	15.1
¶¶	F.P.	24/9	178	170	Pactrol Electronics	175	......	F3.5	—	2.9	—
—	F.P.	—	25	20	RIT & NorthernWar'ts	25	......	—	—	—	—
¶¶	F.P.	—	59½	31	Rowe Evans Inv. 10p.	31	......	—	—	—	18.0
‖ ‖	F.O.	—	13	11	✠Sheraton Secs 10p	11½	......	—	—	—	—
¶¶	F.P.	—	44	37	Walker (Alfred) 10p	39	......	b0.79	6.3	2.8	7.6
—	F.O.	—	99	26	✠Yolverton Invs. 5p	29	......	—	—	—	—

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1982 High	1982 Low	Stock	Closing price	+ or −
¶¶	F.P.	—	60p	59p	Antofagasta 6.5% Pref. (£1)	55p	......
99.628	£20	—	29¾	21¼	Australia 13½% Ln. 2010	30½	+¾
‖100	F.O.	29/7	100½	95	Cronite 14% Cnv. Uns. Ln. '92	99	......
100	F.P.	—	100⅝	99⅞	Nationwide Bdg. Soc. 11⅞% (15/8/83)	100½	......
100	F.P.	—	100⅝	100¼	Do. Do. 11¼% (30/9/83)	100⅝	......
99.346	£25	—	34¾	24½	New Zealand 14¼% 1987	34½	−¼
100	F.P.	9/9	108½	100	Portsmouth Water 14% Red. Deb. '92	106¾	+¼
§IR£1	F.P.	3/9	82	82	Smurfit (Jefferson) Pref. Units 2p	82	......
¶100	£10	17/11	16½	13½	West Kent Water 8¾% Red. Pref. 87-89	16½	......

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date ●	Latest Renunc. date ■	1982 High	1982 Low	Stock	Closing price p	+ or −
180	F.P.	16/8	22/10	247	224	Automated Security 10p	247	+2
100	Nil	—	—	40pm	25pm	✠Berkeley Exploration £1	25pm	−2
103	F.P.	6/8	17/9	132	117	Blundell-Permoglaze	121	......
78	F.P.	2/8	17/9	84	80	Goal Pet. 5p	82	......
25	F.P.	26/7	3/9	25½	21	Jenks & Cattell	21	......
78	Nil	—	—	100pm	92pm	Pactrol Electronics	95pm	......

Renunciation date usually last day for dealing free of stamp duty. 9 Figures based on prospectus estimate. d Dividend rate paid or payable on part of capital: cover based on dividend on full capital. g Assumed dividend and yield. f Indicated dividend: cover relates to previous dividend. P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. F Dividends and yield based on prospectus or other official estimates for 1983. Q Gross. T Figures assumed. ● Figures or report awaited. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Dealings under special Rule. ✠ Unlisted Securities Market. ‡‡ London Listing. † Effective issue price after scrip. † Formerly dealt in under Rule 163(2)(a). ‡‡ Unit comprising five ordinary and three Cap. shares. ¥ Issued free as an entitlement to ordinary holders.

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday

Stock	Closing price pence	Day's change	Stock	Closing price pence	Day's change
AGB Research	275	−17	Grand Met	276	− 2
Assoc Dairies	150	—	GUS A	528	− 2
Bowater	192	− 5	MEPC	187	− 9
Cons Gold Fields	478	+ 8	Rugby Portland	86	− 5
De Beers Defd	258	+ 6	Scottish & Newcastle	73½	− ½
Fisons	405	− 2	Thorn EMI	440	—

FRIDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of price changes	Friday's closing price pence	Day's change	Stock	No. of price changes	Friday's closing price pence	Day's change
Cns Gold Fields	25	470	+30	GEC	13	£10⅞	+ ⅛
Blue Circle	20	398	−15	Prudential	13	275	+14
Harmony	16	650	+55	Brit Aerospace	13	240	+12
Plessey	19	515	− 3	BP	13	282	+12
Racal Elec	15	528	+13	Cable & Wire	13	272	− 1
RTZ	15	440	+15	Grand Met	13	278	+ 9
Royal Ins	14	385	+10	Legal & General	12	275	+14

WORLD VALUE OF THE POUND

The table below gives the latest available rates of exchange for the pound against various currencies on August 23 1982. In some cases rates are nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Abbreviations: (A) approximate rate, no direct quotation available; (F) free rate; (P) based on U.S. dollar parities and going sterling/dollar rates; (T) tourist rate; (Bas) basic rate; (bg) buying rate; (Bk) bankers' rates; (cm) commercial rate; (ch) convertible rate; (fn) financial rate; (exC) exchange certificate rate; (nc) non-commercial rate; (nom) nominal; (o) official rate; (sg) selling rate.

PLACE AND LOCAL UNIT		VALUE OF £ STERLING	PLACE AND LOCAL UNIT		VALUE OF £ STERLING	PLACE AND LOCAL UNIT		VALUE OF £ STERLING
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

CURRENCIES and MONEY

Dollar soft

Dollar showed little change in thin foreign exchange trading. Hopes of a cut in the Federal Reserve discount rate on Friday were not fulfilled, and this lent some support to the U.S. currency, but the overall trend remained soft. The injection of $1bn of funds into the money market by the Federal Reserve shortly before the London close produced little reaction, as the dollar moved up slightly in late trading.

Sterling was firm throughout, rising against the dollar and Continental currencies.

DOLLAR — Trade-weighted index (Bank of England) was unchanged at 120.2 against 112.5 six months ago. Three-month Treasury bills 7.50 per cent (12.40 per cent six months ago). Annual inflation 7.1 per cent (6.7 per cent previous month)—The dollar eased to DM 2.4525 from DM 2.4530 against the D-mark; to SwFr 2.07 from SwFr 2.0730 against the Swiss franc; and to Y254.50 from Y254.75 in terms of the Japanese yen, but rose to FFr 6.8675 from FFr 6.85 against the French franc.

STERLING — Trade-weighted index 91.6 against 91.6 at noon, 91.5 in the morning, 91.5 at the previous close, and 91.2 six months ago. Three-month interbank 10 11/16 per cent (14¼ per cent six months ago). Annual inflation 8.7 per cent (9.2 per cent previous month)—The pound opened at $1.7360-1.7370, its lowest level of the day, and rose steadily to a peak of $1.7470-1.7480 in the afternoon, before easing to $1.7460-1.7470 at the close, a rise of 55 points on the day. Sterling rose to DM 4.2850 from DM 4.2725; to FFr 11.99 from FFr 11.9250; to SwFr 3.6175 from SwFr 3.61; and to Y444.50 from Y444.

D-MARK — EMS member (weakest). Trade-weighted index 125.2 against 125.4 on Friday and 121.7 six months ago. Three-month interbank 8.575 per cent (10.225 per cent six months ago). Annual inflation 5.6 per cent (5.8 per cent previous month)—The D-mark was slightly weaker at the Frankfurt fixing, declining against the dollar, Japanese yen and Swiss franc. The Bundesbank sold $5.65m when the U.S. currency was fixed at DM 2.4598, compared with DM 2.4570, in fairly quiet and listless trading, and the German central bank did not appear to be active on the open market. The Swiss franc rose to DM 1.1848 from DM 1.1791, and the French franc to DM 35.7850 per 100 francs from DM 35.70. Sterling fell to DM 4.2750 from DM 4.28.

FRENCH FRANC — EMS member (third strongest) Trade-weighted index 73.6 against 73.8 on Friday, and 79.9 six months ago. Three-month interbank 14 3/16 per cent (14½ per cent six months ago). Annual inflation 13.5 per cent (13.8 per cent previous month)—The franc weakened against the dollar at the Paris fixing, but improved against most other currencies, including sterling, the D-mark and Dutch guilder. The dollar rose to FFr 6.8770 from FFr 6.8685, and the Swiss franc to FFr 3.3152 from FFr 3.3015. The pound fell to FFr 11.96 from FFr 11.98; the D-mark to FFr 2.7950 from FFr 2.7965; and the Dutch guilder to FFr 2.5438 from FFr 2.5450.

ITALIAN LIRA — EMS member (strongest). Trade-weighted index was unchanged at 53.5 against 55.1 six months ago. Three-month interbank 19 1/16 per cent (20 1/16 per cent six months ago). Annual inflation 15.9 per cent (15.2 per cent previous month)—The lira had a weaker tone at the Milan fixing, losing ground to the dollar and most members of the EMS. The U.S. currency rose to L1,386.70 from L1,384.55; the D-mark to L563.79 from L563.74; the French franc to L201.58 from L201.44; and the Belgian franc to L29.365 from L29.339. On the other hand sterling fell to L2,410.40 from L2,412.20, and the Irish punt to L1,938.5 from L1,940.

THE POUND SPOT AND FORWARD

Aug 23	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.7360-1.7480	1.7460-1.7470	0.22-0.12c pm	1.17	0.15-0.05 pm	0.23
Canada	2.1475-2.1605	2.1590-2.1600	0.68-0.76c dis	-4.06	2.05-2.15dis	-3.89
Nethlnd.	4.68½-4.72½	4.70¼-4.71¼	1¼-¾c pm	2.55	2¼-2¼ pm	2.12
Belgium	81.90-82.40	82.30-82.40	15-25c dis	-2.91	57-67 dis	-3.01
Denmark	14.89-14.97	14.95-14.96	¾-1¼ore dis	-1.00	7½-9½ dis	-2.31
Ireland	1.2390-1.2460	1.2440-1.2450	0.62-0.75p dis	-6.60	1.88-2.11dis	-6.41
W. Ger.	4.26½-4.29½	4.28-4.29	1¼-⅞pf pm	3.15	2½-2½ pm	2.45
Portugal	148.75-150.00	149.50-150.00	110-295c dis	-16.23	245-780dis	-13.69
Spain	192.80-193.60	193.35-193.55	110-140c dis	-7.75	365-425 dis	-8.17
Italy	2,405-2,419	2,415½-2,417½	18-21lire dis	-9.68	56½-62½ dis	-9.60
Norway	11.52-11.57	11.56-11.57	1½-2½ore dis	-2.14	10¼-12 dis	-3.93
France	11.92-12.00	11.98½-11.99½	5-7c dis	-6.00	21-24 dis	-7.51
Sweden	10.61½-10.65½	10.64-10.65	1½-2½ore dis	-2.11	8¼-9 dis	-3.22
Japan	442-447	444-445	1.65-1.45y pm	4.18	3.70-3.50 pm	3.24
Austria	30.00-30.25	30.18-30.23	9-6gro pm	2.98	18½-12 pm	2.02
Switz.	3.59½-3.63	3.61¼-3.62¼	2¼-2¼c pm	9.29	6¼-5¼ pm	6.63

Belgian rate is for convertible francs. Financial franc 86.40-86.50. Six-month forward dollar 0.55-0.65c dis. 12-month 2.35-2.55c dis

THE DOLLAR SPOT AND FORWARD

Aug 23	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.7360-1.7480	1.7460-1.7470	0.22-0.12c pm	1.17	0.15-0.08 pm	0.23
Ireland†	1.3980-1.4045	1.4025-1.4040	0.95-0.86c pm	7.72	2.40-2.20 pm	6.57
Canada	1.2356-1.2395	1.2365-1.2365	0.50-0.55c dis	-5.08	1.15-1.22dis	-3.82
Nethlnd.	2.6940-2.7050	2.6940-2.6960	0.33-0.23c pm	1.24	1.20-1.10 pm	1.70
Belgium	47.13-47.25	47.13-47.15	16-17c dis	-4.07	36-40 dis	-3.22
Denmark	8.5600-8.5860	8.5600-8.5650	1.85-2.10ore dis	-2.76	5.70-0.20dis	-2.77
W. Ger	2.4520-2.4530	2.4520-2.4530	0.38-0.33pf pm	1.74	1.43-1.38 pm	2.29
Portugal	85.50-86.00	85.60-85.90	75-175c dis	-17.49	150-450dis	-13.99
Spain	110.70-111.00	110.70-110.80	70-80c dis	-8.12	205-230 dis	-7.85
Italy	1,383-1,387¼	1,383½-1,384½	13-14lire dis	-11.68	34-36 dis	-10.09
Norway	6.6150-6.6410	6.6150-6.6200	1.60-1.90ore dis	-3.08	6.50-6.90dis	-4.04
France	6.8650-6.8825	6.8650-6.8700	3.90-4.60c dis	-7.41	12¾-14 dis	-7.78
Sweden	6.0900-6.1200	6.0900-6.0950	2.45-2.65ore dis	-5.02	5.65-6.85dis	-3.77
Japan	254.25-256.25	254.45-254.55	0.69-0.60y pm	3.02	2.02-1.92 pm	3.10
Austria	17.25-17.30½	17.28½-17.29½	3¼-2gro pm	1.82	9-6 pm	1.73
Switz.	2.0670-2.0780	2.0695-2.0705	1.28-1.20c pm	7.19	3.36-3.28 pm	6.41

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

Belgian rate is for convertible francs. Financial franc 49.47-49.51.

CURRENCY RATES

August 23	Bank rate %	Special Drawing Rights	European Currency Units
Sterling	--	0.627352	0.551101
U.S. $	10½	1.08102	0.958641
Canadian $	14.86	*	1.190628
Austria Sch.	6¾	18.8671	16.5603
Belgian F	13	51.5649	45.2706
Danish Kr	11	9.35428	8.22514
D mark	7½	2.68396	2.35730
Guilder	8	3.03140	2.59108
French F	9½	7.50343	6.59306
Lira	12	1513.07	1328.38
Yen	5½	278.228	245.412
Norwgn. Kr.	9	7.94484	6.36136
Spanish Pts.	8	120.947	106.266
Swedish Kr.	10	6.67083	5.65442
Swiss Fr.	5½	2.26368	1.98796
Greek Dr'ch	20½	75.9509	66.7914

*C$/SDR rate for August 20: 1.34693.

CURRENCY MOVEMENTS

Aug. 23	Bank of England Index	Morgan Guaranty Changes%
Sterling	91.0	-31.7
U.S. dollar	120.2	+10.8
Canadian dollar	88.0	-18.0
Austrian schilling	117.7	+26.4
Belgian franc	94.7	-2.2
Danish kroner	81.2	-10.0
Deutsche mark	125.2	+50.2
Swiss franc	147.0	+98.2
Guilder	110.9	+24.0
French franc	73.6	-20.5
Lira	53.5	-58.7
Yen	139.4	+90.8

Based on trade weighted changes from Washington agreement December 1971. Bank of England index (base average)

OTHER CURRENCIES

Aug 23	£	$		£ Note Rates
Argentina Peso	41,250†	23,660†	Austria	29.90-30.20
Australia Dollar	1.7805-1.7905	1.0995-1.0230	Belgium	80.20-87.20
Brazil Cruzeiro	330.48-330.49	189.06-189.20	Denmark	14.84-14.89
Finland Markka	8.0295-8.2380	4.7300-4.7320	France	11.88-11.99
Greek Drachma	118.681-122.294	69.30-62.00	Germany	4.06¼-4.09¼
Hong Kong Dollar	10.46¾-10.48¼	6.0175-6.0206	Italy	2380-2435
Iran Rial	146.05*	84.10*	Japan	443-448
Kuwait Dinar KD	0.5051-0.5057	0.29000-0.29015	Netherlands	4.07½-4.71½
Luxembourg Fr.	82.30-82.40	47.13-47.15	Norway	11.48-11.58
Malaysia Dollar	4.00-4.07	2.3340-2.3300	Portugal	146-159
New Zealand Dlr.	2.3630-2.3680	1.3685-1.3000	Spain	187¾-199¾
Saudi Arab. Riyal	5.9890-5.9960	3.4390-3.4410	Sweden	10.58-10.68
Singapore Dollar	3.7375-3.7475	2.1480-2.1500	Switzerland	3.59¼-3.63¼
Sth. African Rand	1.9945-1.9970	1.1420-1.1435	United States	1.73-1.75
U.A.E. Dirham	6.3930-6.4005	3.6710-3.6730	Yugoslavia	102-111

† Rate shown for Argentina is commercial. Financial rate 67,874-67,314 against sterling, 38,950-39,000 against dollar. * Selling rate.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU August 23	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	44.9704	45.2766	+0.68	+0.58	±1.5501
Danish Krone	8.23400	8.22514	-0.11	-0.21	±1.6430
German D-Mark	2.33379	2.35730	+1.01	+0.91	±1.0888
French Franc	6.61387	6.59305	-0.31	-0.41	±1.3940
Dutch Guilder	2.57971	2.59169	+0.48	+0.38	±1.5004
Irish Punt	0.691011	0.684966	-0.87	-0.97	±1.6691
Italian Lira	1350.27	1329.39	-1.55	-1.55	±4.1369

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

EXCHANGE CROSS RATES

Aug. 23	Pound St'rling	U.S. Dollar	Deutschem'k	JapaneseYen	FrenchFranc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1	1.747	4.285	444.5	11.98	3.618	4.708	2417.	2.190	82.85
U.S. Dollar	0.573	1.	2.453	254.5	6.865	2.071	2.695	1384.	1.236	47.15
Deutschemark	0.233	0.408	1.	103.7	2.798	0.844	1.099	563.8	0.504	19.22
Japanese Yen 1,000	2.250	3.929	9.640	1000.	26.97	8.138	10.59	5436.	4.858	185.3
French Franc 10	0.834	1.457	3.574	370.7	10.	3.017	3.926	2015.	1.801	68.69
Swiss Franc	0.276	0.483	1.185	122.9	3.314	1.	1.301	668.0	0.597	22.76
Dutch Guilder	0.212	0.371	0.910	94.42	0.547	0.768	1.	513.6	0.459	17.49
Italian Lira 1,000	0.414	0.723	1.773	183.9	4.962	1.497	1.948	1000.	0.894	34.08
Canadian Dollar	0.463	0.809	1.984	205.8	5.553	1.675	2.180	1119.	1.	38.13
Belgian Franc 100	1.214	2.121	5.205	538.8	14.56	4.393	5.716	2934.	2.622	100.

FT LONDON INTERBANK FIXING (11.00 a.m. AUGUST 23)

3 months U.S. dollars		6 months U.S. dollars	
bid 10 1/4	offer 10 5/8	bid 11 1/4	offer 11 5/8

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Aug. 23	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Krone
Short term	11½-11¾	8⅝-9⅛	16-17	8½-8¾	1-9½	8-8¼	14½-16	16-20	13½-14⅛	13½-14	6⅞-7½	11¾-13¼
7 day's notice	11½-11¾	9⅛-9⅜	14½-15½	8⅝-8½	6½-6½	8⅛-8¼	14¼-15	19⅝-21½	13½-14½	13½-13¾	7⅛-7¼	10½-14
Month	11¼-11⅝	9⅜-9⅞	14½-14¾	8½-8⅝	3-3½	8¼-8⅜	15¾-16½	19½-20½	13-14	13½-13¾	7 3/16-7 5/16	12½-13⅝
Three months	10 9/16-10 11/16	10¼-10½	14-14¼	8½-8⅝	3¾-4 1/16	8⅜-8¼	17¾-18½	20¼-20⅞	13¼-14¼	13⅝-13⅞	7⅜-7½	13⅛-14⅝
Six months	10 11/16-10 13/16	11¼-11½	14¼-14½	8⅝-8¾	4 7/16-4 9/16	8⅜-8 9/16	18½-19¼	20⅞-21½	13½-14½	13⅝-13⅞	7 7/16-7 9/16	15-16½
One Year	10 9/16-10 11/16	12-12¼	14½-14¾	8¾-8⅞	4 7/16-5 1/16	8⅜-8½	19½-20¼	20⅝-21½	13¼-14¼	13⅝-13⅞	7⅝-7⅞	16-17½

SDR linked deposits: one month 9⅞-10⅛ per cent; three months 10 5/16-10 9/16 per cent; six months 10 11/16-11 1/16 per cent; one year 11¼-11⅝ per cent.

ECU linked deposits: one month 11 11/16-12 1/16 per cent; three months 11⅞-12¼ per cent; six months 12⅛-12½ per cent; one year 12¼-12½ per cent.

Asian $ (closing rates in Singapore): one month 9 11/16-9 13/16 per cent; three months 10 5/16-10 7/16 per cent; six months 11 5/16-11 7/16 per cent; one year 12-12⅛ per cent.

Long-term Eurodollar: two years 13¼-13⅝ per cent; three years 13½-13⅞ per cent; four years 13¾-14 per cent; five years 13⅞-14⅛ per cent; nominal closing rates. Short-term rates are call for U.S. dollars, Canadian dollars and Japanese yen; others two days' notice.

The following rates were quoted for London dollar certificates of deposit: one month 9.80-9.90 per cent; three months 10.20-10.30 per cent; six months 10.85-10.95 per cent; one year 11.50-11.60 per cent.

MONEY MARKETS

Dealing rates steady

UK clearing bank base lending rate 11 per cent (since August 17 and 18)

The Bank of England did not change its dealing rates with the money market yesterday, but probably gave more help than the underlying shortage indicated. The early morning forecast was for a shortage of £100m, but this was revised to £150m in the afternoon.

The main factors influencing the market were: bills maturing in official hands and a net market take-up of Treasury bills £553m, partly offset by Exchequer transactions of £320m, and a fall in the note circulation of £180m.

Before lunch the authorities bought only £2m bank bills in band 2 (15-33 days) at 11 per cent, and in the afternoon managed to acquire only another £26m by direct purchases, once again illustrating money market expectations of lower interest rates in the near future. The Bank of England bought £2m bank bills in band 1 (up to 14 days) at 11⅛ per cent, and £24m in band 2 at 11 per cent. The rest of the help was made up of £156m bills bought for repurchase by the market on September, at an interest rate of 11⅛ per cent.

In Frankfurt call money rose to 8.70-8.90 per cent from 8.50-8.10 per cent in fairly active trading as demand for funds increased. This was linked to tax payments, and is therefore likely to be of a temporary nature, with market expectations of a cut in the 9 per cent Lombard rate and possibly the 7½ per cent discount rate at Thursday Bundesbank central council meeting remaining high. Hopes of lower interest rates later in the week kept demand for period money at a low level. Three-month funds eased to 8.57½ per cent from 8.60 per cent.

EUROCURRENCIES

French rates ease

Euro French franc interest rates showed a slightly easier trend yesterday, and the franc's forward discount against the dollar narrowed slightly. On the other hand Eurolira rates firmed, and forward discounts against the dollar widened as the Italian currency came under renewed selling pressure and weakened in the European Monetary System.

Eurodollar rates reacted to the recent sharp fall, and continued the slight upward trend seen at the end of last week. Euro-sterling rates were also a little firmer.

MONEY RATES

NEW YORK

Prime rate	13½
Fed funds (lunch-time)	9-9¼
Treasury bills (13-week)	7.50
Treasury bills (26-week)	8.78

GERMANY

Lombard	9.00
Overnight rate	9.80
One month	8.625
Three months	8.60
Six months	8.575

FRANCE

Intervention rate	14.25
Overnight rate	14.3
One month	14.5625
Three months	14.5025
Six months	14.625

JAPAN

Discount rate	5.5
Call (unconditional)	6.96875
Bill discount (three-month)	7.34375

LONDON MONEY RATES

Aug. 23 1982	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	6-12	11⅛-11½	—	—	11½-11¾	10½-11⅛	—	—	—
2 days notice	—	—	11¼-11⅛	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	11⅛-11¾	11¼	—	—	11¾	11-11⅛	—	—	—
One month	11⅛-11¼	11 1/16-11 3/16	11⅛	11⅝-11¼	11⅛	11⅝	10¾	10¾-10⅞	10 15/16-10⅞	11 7/16
Two months	10 15/16-10¾	10 15/16-11	11	11⅛-11	10⅞	11¼	10¼-10⅛	10⅛	10 9/16	11 5/16
Three months	10 9/16-10 9/16	10⅝-10 11/16	10⅝	11-10⅝	10¾	11	10	10 9/16	10⅛	10¾
Six months	10 7/16-10 9/16	10⅝-10¾	10⅛	9½-9⅛	10¾	—	—	—	9¾-9 9/16	10⅜
Nine months	10 9/16-10 9/16	10 9/16-10¾	—	10⅝-10½	10¾	—	—	—	—	—
One year	10 9/16-10 9/16	10 9/16-10¾	10½	10⅛-10⅛	10¾	—	—	—	—	—
Two years	—	—	10¾	—	—	—	—	—	—	—

ECGD Fixed Rate Sterling Export Finance. Scheme IV Averaged Reference Rate for investment period 19 July to 3 August 1982 (inclusive): 12.143 per cent.

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates, nominally three years 11 per cent; four years 11⅛ per cent; five years 11⅛ per cent. ♦Bank bill rates in table are buying rates for prime paper. Buying rates for four month bank bills 10 9/16 per cent; four months trade bills 10 13/16 per cent.

Approximate selling rate for one month Treasury bills 10⅝-10½ per cent; two months 10⅛-10⅜ per cent and three months 9 15/16 per cent. Approximate selling rate for one month bank bills 10 23/32-10⅝ per cent; two months 10⅝ per cent and three months 9 15/16-10 1/16 per cent; one month trade bills 11 5/16 per cent; two months 10 13/16 per cent; three months 10½ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 13 per cent from August 1 1982. London and Scottish Clearing Bank Base Rates for lending 11 per cent. London Clearing Bank Deposit Rates for sums at seven days notice 8 per cent. Treasury Bills: Average tender rates of discount 9.9893 per cent. Certificates of Tax Deposit (Series 5) 11 per cent from August 18. Deposits withdrawn for cash 9 per cent.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED TRUSTS

هكذامن الأكمل

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INSURANCE & OVERSEAS MANAGED FUNDS

INSURANCES

Abbey Life Assurance Co. Ltd. (z)
1-3 St. Paul's Churchyard, EC4P 4DX. 01-248 9111

Property Fund	229.4	[illegible]		—
Equity Fund	53.7	[illegible]	+1.0	—
Property Acc.	268.7	282.[illegible]		—
Equity Acc.	53.2	[illegible]	+0.8	—
Selective Fund	155.2	[illegible]	+1.4	—
Money Fund	168.9	[illegible]		—
Convertible Fund	181.2	[illegible]		—
Prop. Fd. Ser. 4	211.7	222.[illegible]		—
Equity Ser. 4	59.6	[illegible]	+0.9	—
Man. Ser. 4	212.6	[illegible]	+2.3	—
Money Ser. 4	153.2	[illegible]		—
Conv. Ser. 4	153.3	[illegible]		—
Fixed Int. Fd. Ser. 4	134.8	141.[illegible]	+2.5	—
American Ser. 4	110.9	[illegible]	+3.6	—
High Inc. Ser. 4	120.2	[illegible]	+1.8	—
Indexed Inv. Series 4	100.2	105.[illegible]		—
Pension Property	321.5	[illegible]		—
Pension Equity	307.9	[illegible]	+5.4	—
Pension Selective	157.2	[illegible]	+1.5	—
Pension Managed	316.6	[illegible]	+3.6	—
Pension Security	226.8	[illegible]		—
Pension Fixed Int.	130.9	137.[illegible]	+2.1	—
Pension Indexed Inv.	100.5	[illegible]		—

Albany Life Assurance Co. Ltd.
31, Old Burlington St., W.1. 01-437 5962

Equity Fd. Acc.	325.8	342.9	+2.2	—
Fixed Int. Acc.	218.0	229.4	+3.9	—
Gtd. Money Fd. Ac.	158.1	166.4		—
Intl. Man. Fd. Acm.	137.2	144.4	-1.5	—
Intl. Fxd. Int. Fd.	115.5	121.6	+0.9	—
Prop. Fd. Acc.	160.0	168.4		—
M'ple Inv. Acc.	256.1	269.6	+1.1	—
Equity Pen. Fd. Acc.	449.5	473.1	+3.7	—
Fixed I. Pen. Acc.	366.7	386.0	+9.2	—
G'td. Mon. Pen. Acc.	220.7	232.3	+0.1	—
Intl. Mn. PnFdAcc	158.9	167.2	-1.7	—
Prop. Pen. Acc.	211.9	223.0	+0.1	—
M'ple Inv. Pen. Acc.	376.3	396.1	+2.5	—

AMEV Life Assurance Ltd.
2-6, Prince of Wales Rd., B'mouth. 0202 762122

Managed Fd.	198.2	208.9		—
Money Fd.	145.5	153.1		—
Equity Fd.	151.9	160.1		—
Fixed Int. Fd.	105.9	111.6		—
Property Fd.	155.7	164.1		—
Managed Pen. Fd.	182.4	192.2		—
Equity Pension Fd.	97.2	102.4		—
Fixed Int. Pens. Fd.	135.8	143.1		—
High Yield Pens. Fd.	134.9	142.1		—
Money Pension Fd.	114.9	120.9		—
Property Pension Fd.	114.7	120.7		—
AMEV/Framlington				
American & Gen. Fd.	135.9	143.2	-1.2	—
Income Fd.	139.6	147.1	+0.5	—
Intl. Growth Fd.	145.1	152.9	-1.0	—
Capital Fund	142.9	150.6	-0.3	—
Recovery Fund	96.7	101.9		—

Barclays Life Assur. Co. Ltd.
252 Romford Rd., E7. 01-534 5544

Barclaybonds	180.7	190.3	+1.6	—
Equity	176.5	185.8	+1.3	—
Gilt-edged	151.4	159.4	+1.2	—
International	102.8	108.3	+2.2	—
Managed	155.6	163.8	+1.3	—
Money	136.6	143.8	+0.2	—
Property	179.0	188.5	+0.1	—
Man. Pens. Accum.	180.0	189.5		—
Do. Initial	154.5	162.7		—
Gilt Edg. Pens. Acc.	177.9	187.3		—
Do. Initial	147.9	155.7		—
Money Pens. Acc.	166.3	175.1		—
Do. Initial	139.3	146.7		—

Black Horse Life Ass. Co. Ltd.
71, Lombard St., EC3. 01-623 1288

Black Horse Man. Fd.	192.78			—
Managed Inv. Fd.	135.37	142.50		—
Property Fd.	137.40	144.64		—
Fixed Interest Fd.	124.28	130.83		—
Cash Fd.	127.45	134.16		—
Income Fd.	126.82	133.50		—
Extra Income Fd.	119.41	125.70		—
Worldwide Growth Fd.	146.97	154.71		—
Balanced Fd.	134.62	141.71		—
Smlr Co's & Recy. Fd.	125.15	131.74		—
Int. Technology Fd.	150.12	158.03		—
Nth. Amer. & Gen. Fd.	98.66	103.86		—
Energy Int. Fd.	75.43	79.40		—
Pacific Basin Fund	92.98	97.88		—

Canada Life Assurance Co.
2-6, High St., Potters Bar, Herts. P. Bar 51122

Equity Gth. July 1		75.5		—
Retmt. Fed. July 7		161.2		—

Canada Life Assurance Co of G. Britain
2-6 High St., Potters Bar, Herts. P. Bar 51122

Managed Pen Fund	1.360	1.431		—
Property Pen Fund	1.055	1.111		—
Index Lnkd Pen Fund	1.088	1.145		—

Cannon Assurance Ltd.
1 Olympic Way, Wembley HA9 0NB. 01-902 8876

Equity Units		£25.77	+0.22	—
Property Units		£16.47		—
Equity Bond/Exec	£17.17	18.17	+0.14	—
Prop. Bond/Exec	£21.55	22.80		—
Bal. Bd./Exec/Unit	£19.69	20.84	+0.15	—
Deposit Bond	154.9	163.9		—
Equity Accum.		318.9	+2.8	—
Property Accum.		£24.07		—
Mngd. Accum.		285.8	+2.1	—
2nd Equity	133.5	141.3	+1.3	—
2nd Property	165.6	175.2		—
2nd Managed	144.8	153.2	+1.0	—
2nd Deposit	135.0	142.9		—
2nd Gilt	132.4	140.1	+2.4	—
2nd. American	109.5	115.9	+1.9	—
2nd Intl. Money	123.1	130.3	-0.1	—
2nd Index	93.5	98.9		—
2nd Eq. Pens./Acc.	170.0	179.9	+1.7	—
2nd Prp. Pens/Acc	202.5	214.3		—
2nd Mgd. Pens/Acc	176.3	186.6	+1.4	—
2nd Dep. Pens/Acc	168.6	178.4		—
Gilt Pens/Acc.	164.5	174.1	+3.0	—
2nd Am. Pens/Acc	129.9	137.5	+2.3	—
2ndInt. MoneyPens/Acc	138.4	146.5	-0.1	—
2nd Index Pens./Acc.	93.8	99.3		—
L & E S.I.F.	61.5	65.0	+0.5	—
L & E S.I.F. 2	41.5	44.5	+0.5	—

Current value August 20.

Capital Life Assurance
Coniston House, Chapel Ash W'ton. 0902 28511

Key Invest. Fd.		106.10xc		—
Pacemaker Inv. Fd.		88.59		—

Chieftain Assurance Funds
11 New Street, EC2M 4TP. 01-283 3933

Managed Growth	147.09	154.84	+1.56	10.36
Managed Income	80.78	85.03	+0.41	—
International (z)	89.16	93.86	+0.78	—
High Income	97.39	102.52	+0.57	—
Income & Growth	91.44	96.25	+0.33	—
Basic Resources	105.21	110.75	+1.49	—
American (z)	118.19	124.42	+2.28	—
Far Eastern (z)	125.81	132.44	+2.71	—
Cash	127.45	134.16		—

City of Westminster Assurance
Ashton House, 499, Silbury Boulevard, Milton Keynes, MK9 2LA. 0908 606101

			Series (2)	(1)Bid
West Prop. Fund	95.7	100.8		91.1
Managed Fund	222.8	234.5		219.9
Equity Fund	75.9	79.9	+0.4	74.4
Farmland Fund	78.7	82.9		74.6
Money Fund	168.9	177.8		170.0
Gilt Fund	108.8	114.6	+1.8	109.5
Black Gold Fd.	67.6	71.2	+0.7	67.6
PULA Fund	237.0	248.0		237.0
Soc. Prop. Units	81.4	85.4		81.4
Soc. First Unit Fund	214.2	225.4		214.2

Fund currently closed to new investment.
Perform Units | 270.4
For Pension Prices please phone 0908 606101
Series (2) Prices are for policies issued after 1.1.1980. Series (1) These are bid prices for earlier policies.

Clerical Medical Managed Funds Ltd.
15, St. James's Sq., SW1Y 4LQ. 01-930 5474

Mixed Fund	115.8	119.3		—
Cash Fund	107.4	110.6		—

Prices Aug. 18. Unit dealings on Wednesday.

Commercial Union Group
St. Helen's, 1, Undershaft, EC3. 01-283 7500

Vr. Acc. Aug. 21		106.34		—
Vr. Ann. Aug. 27		27.42		—
"Hand in Hand" Investment Bond				
Cash	113.2	119.2		—
Fixed Interest	126.6	133.3		—
Property	129.7	136.6		—
Nat West Unit Trust	118.3	124.6		—

Confederation Life Insurance Co.
50, Chancery Lane, WC2A 1HE. 01-242 0282

Equity Fund	281.5	296.3		—
Managed Fund	293.9	309.3		—
PIP Fund		705.4		—
Pnsl. Pen. Mngd.	140.0	147.3		—
Stafguard Man. Pen.	140.0	147.3		—
Group Mngd. Pen.	369.5	376.1	+7.7	—
Fixed Int. Pen.	357.3	359.0	+14.6	—
Equity Pension	474.8	485.9	+3.1	—
Property Pension	320.6	328.8	+0.4	—
International Pen.	96.7	101.7	+1.1	—
Cash Pension		113.7	+1.1	—

Continental Life Insurance PLC
64/70 High St., Croydon CR0 9XN 01-680 5225

Managed Funds Cap.	120.5	126.9	+0.4	—
Pensions Mngd Fd Cap.	103.3	108.5	-1.0	—

Cornhill Insurance Co. Ltd.
32, Cornhill, E.C.3. 01-626 5410

Equity Fd Aug 20	104.5	110.5	+2.0	—
Fxd Int. Fd Aug 20	113.0	119.0	+7.0	—
Man Grwth Fd Aug 20	267.5	282.0	+10.0	—
Money Fd Aug 20	107.5	113.5	+0.5	—
Cap Fd Aug 17		163.0		—
G. & S. Spec. Fd.		69.5		—

Credit & Commerce Insurance Co. (UK)
CCI Hse., Heneage Lane, EC3A 5DQ. 01-283 2411.

CCI Deposit Fnd.	111.0	118.0		—
CCI Equity Fnd.	113.0	120.0		—
CCI Fixed Int. Fnd.	126.0	134.0		—
CCI Mngd. Fnd.	173.0	183.0		—
CCI Blue Chip Fd.	102.9	108.0		—
CCI Intl. Fd.	92.0	97.0		—
CCI High Income Fd.	96.0	102.0		—
CCI Property Fd.	95.0	101.0		—

Crescent Life Assurance Co. Ltd.
14 New Bridge Street, EC4V 6AU 01-353 8931

Managed Fund	104.2	109.7	+0.6	—
Managed Int.	89.3	94.0	+0.5	—
UK Equity	107.5	113.2	+0.3	—
Property	103.4	108.9	+0.1	—
Money Market	104.1	109.6	+0.1	—
Fixed Int.	116.9	123.1	+2.5	—
Tokyo	84.4	88.9	+2.0	—
American	95.7	100.8	+1.4	—
International	85.8	90.4	+0.7	—
Reserves	109.7	115.5	+0.1	—
High Distribution	105.4	111.0	+0.3	—
Capital	99.3	104.5	-0.7	—

Crown Life
Crown Life Hse., Woking GU21 1XW 04862 5033.

Dist. Fd. Incm.	118.0	[illegible]	+1.1	10.40
Mang'd Fd. Acc.	165.9	[illegible]	+1.5	—
Mang'd Fd. Init.	148.1	[illegible]	+1.3	—
Mang'd Fd. Incm.	134.1	[illegible]	+1.2	8.25
Property Fd. Acc.	132.3	[illegible]		—
Property Fd. Init.	116.4	[illegible]		—
Property Fd. Incm.	103.5	[illegible]		7.10
Fixed Int. Fd. Acc.	154.2	[illegible]	+1.4	—
Fixed Int. Fd. Incm.	119.2	[illegible]	+1.0	13.05
Equity Fd. Acc.	156.6	[illegible]	+1.3	—
Equity Fd. Init.	148.1	[illegible]	+1.1	—
Equity Fd. Incm.	134.2	[illegible]	+1.1	5.25
Inv. Tst. Fd. Acc.	136.8	[illegible]	+1.0	—
Inv. Tst. Fd. Init.	134.8	[illegible]	+0.8	—
Inv. Tst. Fd. Incm.	131.9	[illegible]	+0.8	2.55
Money Fd. Acc.	133.4	[illegible]	+0.1	—
Money Fd. Incm.	96.2	[illegible]	+0.1	13.75
Intnl. Fd. Acc.	126.4	[illegible]	+2.9	—
Intnl. Fd. Incm.	117.5	[illegible]	+2.8	4.30
High Income Acc.	129.0	[illegible]	+0.9	—
High Income Inc.	128.6	[illegible]	+0.8	10.10
PE Convert Fd.	127.8	[illegible]		—
Curr Bonus Inv. Fd.	126.7	[illegible]		—
Growth Equity Fd.	131.5	[illegible]		—
Strategic Inv. Fd.	85.1	[illegible]		—
Beaufort Man. Fd.	108.5	[illegible]		—

Crown Life—Continued

St. George Mangd. Fd.	111.2	117.0		—
Lincs & Gen. Fd.	116.8	122.9		—
Sage Fd.	85.4	89.8		—
Heritage Fd.	99.5	104.7		—
DBS Managed	106.7	112.3		—
Crown. Brit. Inv. A		217.2		—
Pens. Mixed. Fd.	156.5	167.1		—
Pens. Mang'd. Acc.	115.9	121.9		—
Pens. Mang'd. Init.	111.3	117.1		—
Pens. Equity Acc.	102.4	107.7		—
Pens. Equity Init.	98.0	103.1		—
Pens. Fxd. Int. Acc.	118.0	124.2		—
Pens. Fxd. Int. Init.	113.3	119.2		—
Pens. Money Acc.	110.9	116.7		—
Pens. Money Init.	106.3	111.8		—

Crusader Insurance PLC
Tower Hse, 38 Trinity Sq, EC3N 4DJ 488 2323

Growth Prop Aug 3	103.7	114.1		—
Mngd Pens. Aug 11	120.33	122.07		—

Eagle Star Insur./Midland Assur.
1, Threadneedle St., EC2. 01-588 1212

Eagle/Mid. Units	83.9	87.0	+0.1	5.86

Equity & Law Life Ass. Soc. Ltd.
Amersham Road, High Wycombe. 0494 33377

UK Equities Fund	196.1	206.4	+1.2	—
Higher Inc. Fund	131.1	138.0	+0.7	—
Property Fund	193.6	203.7		—
Fixed Interest Fund	161.5	169.9	+2.0	—
Index Linked Secs Fnd.	96.7	101.7	-0.2	—
Gtd. Deposit Fund	136.9	144.1		—
Nth. America Fund	105.8	111.3	+2.3	—
Far East Fund	80.8	85.0	+1.4	—
International Fund	97.5	102.6	+2.0	—
Mixed Fund	177.5	186.8	+1.7	—

Equity & Law (Managed Funds) Ltd.
Amersham Road, High Wycombe. 0494 33377

Ind. Pen. Equity	198.1	197.9		—
Ind. Pen. Property	147.2	154.9		—
Ind. Pen. Fixed Int.	144.9	152.5		—
Ind. Pen. Indx Lk. Scs.	104.0	109.4		—
Ind. Pen. Overseas	141.1	148.5		—
Ind. Pen. Cash	138.2	145.4		—
Ind. Pen. Balanced	154.9	163.0		—
Ind. Pen. Dep. Admin.	138.5	145.7		—

Prices at Aug 12. Next settlement Sept. 9.
Group Pension Funds—Prices Available On Request.

Family Assurance Society
68, East Street, Horsham. 0403 50255

Family A. Managed	176.3	179.9		—
Family B. Managed	93.3	95.2		—
Family C. Brit.	72.9	74.4		—
Family D. Fixed Int.	114.5	116.9		—
Family Capital Mngd.	90.6	92.4		—
Family Brit. 11	56.3	57.5		—

G.T. Management Ltd.
16 Finsbury Circus, Lond. EC2M 7DJ. 01-628 8131

G.T. Plan Bond Fund	99.2	104.5	-0.6	—
GT Pln High Yld Fnd	94.1	99.1		—
GT Plan Far East Fnd	79.1	83.3		—
GT Pln N Am Fund	91.9	96.8	+2.9	—
GT Pln UK&G.E. Fnd	100.0	105.3		—
GT Pln Wrldwde Fnd.	82.8	87.2		—
GT Pension Bnd Fnd	99.7	105.0	-1.0	—
GT Pen High Yld Fd	100.3	105.6		—
GT Pen Far East Fd	80.3	84.6		—
GT Pen N. Am. Fd.	94.1	99.1	+2.9	—
GT Pen UK & G.E. Fd.	106.0	111.6		—
GT Pen Worldwide Fd.	83.2	87.6		—

Assicurazioni GENERALI S.p.A.
117, Fenchurch St., EC3M 5DY. 01-488 0733

Intl. Managed Bond	141.7	149.2		—

General Portfolio Life Ins. C. Ltd.
Crossbrook St., Cheshunt, Herts. Waltham X 31971

Portfolio Fd. Acc.		189.7		—
Portfolio Fd. Init.		164.3		—
Portfolio Fd. Cap.		185.4		—
Portfolio Man. Acc.	59.3	62.4		—
Portfolio Man. Init.	53.6	56.4		—

Growth & Sec. Life Ass. Soc. Ltd.
48, London Fruit Exchange, E1 6EU 01-377 1122

Flexible Finance		1,298		—
Landbank Secs.		59.74		—
Landbank Scs. Acc.	157.3	161.4		—
G. & S. Super Fd.		£9.844		—

Guardian Royal Exchange
Royal Exchange, E.C.3. 01-283 7101

Guardian Assurance				
Property Bonds	257.6	310.0		—
GRE Linked Assurance Limited				
Managed Initial	159.9	168.3	+0.3	—
Do. Accum.	173.0	182.1	+0.4	—
Equity Initial	202.9	213.6	+0.7	—
Do. Accum.	219.5	231.1	+0.8	—
Fixed Int. Initial	170.2	179.2	+5.7	—
Do. Accum.	184.2	193.9	+6.2	—
International Initial	127.9	134.6	+2.5	—
Do. Accum.	138.4	145.7	+3.3	—
Property Initial	116.1	122.2		—
Do. Accum.	125.4	132.0		—
Deposit Initial	116.8	122.9		—
Do. Accum.	126.3	132.9		—
GRE Pensions Management Ltd.				
Pens. Managed Initial	151.2	159.2	+0.6	—
Pens. Managed Acc.	159.9	168.3	+0.6	—
Pens. Equity Initial	174.5	183.7	+0.7	—
Pens. Equity Acc.	184.5	194.2	+0.7	—
Pens. Fxd. Int. Initial	165.2	173.9	+4.6	—
Pens. Fixed Int. Acc.	174.7	183.8	+4.9	—
Pens. Int'l Initial	116.0	122.1	+3.0	—
Pens. Int'l. Acc.	122.7	129.2	+3.3	—
Pens. Prop. Initial	116.0	122.1	+0.5	—
Pens. Prop. Acc.	122.7	129.2	+0.8	—
Pens. Depos. Initial	125.9	132.5	+0.1	—
Pens. Depos. Acc.	133.1	140.1	+0.1	—

Hambro Life Assurance P.L.C.
7 Old Park Lane, London, W1Y 3LJ. 01-499 0031

Fixed Int. Dep.	173.0	182.2		—
Equity	286.2	301.3		—
Property	269.7	283.9		—
Managed Cap.	192.2	202.4		—
Managed Acc.	273.7	299.4		—
Overseas	201.2	211.8		—
Gilt Edged	184.7	194.5		—
American Acc.	144.5	152.2		—
Pen. F. I. Dep. Cap.	187.1	197.0		—
Pen. F. I. Dep. Acc.	252.5	265.8		—
Pen. Prop. Cap.	332.1	349.6		—
Pen. Prop. Acc.	494.4	520.5		—
Pen. Man. Cap.	327.6	344.9		—
Pen. Man. Acc.	487.6	513.3		—
Pen. Gilt Edg. Cap.	185.5	195.3		—
Pen. Gilt Edg. Acc.	225.8	237.7		—
Pen. Eq. Cap.	413.9	435.7		—
Pen. Eq. Acc.	467.0	491.6		—
Pen. B.S. Cap.	184.7	194.0		—
Pen. B.S. Acc.	242.4	254.6		—
Pen. D.A.F. Cap.		151.2		—
Pen. D.A.F. Acc.		176.8		—

Hearts of Oak Benefit Society
129, Kingsway, London, WC2B 6NF 01-404 0393

Property Fund	46.2	50.1		—
Managed Fund	114.0	121.0		—

Henderson Administration
11 Austin Friars, London, EC2. 01-588 3622

High Income Fd.	111.1	117.0	+0.8	—
Gilt Edged Fund	99.1	104.4	+0.8	—
Capital Growth Fund	106.2	111.8	+0.6	—
Technology	96.3	101.4	+0.9	—
Natural Resources	91.2	96.0	+1.1	—
Special Situations Fd.	118.5	124.8	+1.1	—
North American Fund	123.8	130.4	+5.4	—
Far East Fund	112.6	118.6	+0.4	—
Property Fund	109.4	115.2		—
Managed Fund	120.8	127.2	+1.4	—
Deposit Fund	110.3	116.2		—
Prime Rsdnt. Prp.	97.8	103.0		—

Hill Samuel Life Assur. Ltd.
NLA Twr., Addiscombe Rd., Croy. 01-686 4355

Security Fund	109.2	115.0	+0.5	—
British Fund	110.7	116.6	+0.8	—
International Fund	107.0	112.7	+2.5	—
Dollar Fund	112.1	118.0	+3.4	—
Capital Fund	108.2	113.9	+0.8	—
Income Fund	113.9	119.9	+0.4	—
Property Series A	164.7	173.4		—
Property Units	271.7	285.3		—
Financial Fund	96.8	101.9		—
Managed Series A	141.8	149.3	+0.7	—
Managed Series C	119.6	125.9	-0.6	—
Managed Units	244.4	257.3	+1.3	—
High Yield Fund	114.2	120.2	+0.9	—
Money Series A	133.4	140.5		—
Money Units	168.0	176.9		—
Equity Fund	128.9	135.7	+1.4	—
Fixed Int. Fund	146.2	153.9	+0.8	—
Indexed Sec. Fd.	99.1	104.4	+0.5	—
European Fund	97.2	102.4	+0.8	—
Natural Resources Fd.	94.8	99.8	+2.4	—
Far East Fund	124.5	131.1	+1.9	—
Spec. Sits Fund	113.0	119.0		—
Mangd. Crncy. Fund	95.7	100.8	+0.2	—
Pension Fund Prices				
Property Acc.	174.7	183.9		—
Property Cap.	150.5	158.5		—
Managed Acc.	262.4	276.3		—
Managed Cap.	215.2	226.6		—
Guaranteed Acc.	182.9	192.6		—
Guaranteed Cap.	149.9	157.8		—
Equity Acc.	169.9	178.9		—
Equity Cap.	146.3	154.0		—
Fixed Int. Acc.	174.8	184.0		—
Fixed Int. Cap.	150.8	158.8		—
Indexed Secs. Acc.	101.7	107.1		—
Indexed Secs. Cap.	97.6	102.8		—

Imperial Life Ass. Co. of Canada
Imperial House, Guildford. 571255

Growth Fd. Aug 20	110.1	119.6		—
Pn. Mn. Fd. Sr. 1 Aug 20	120.4	130.9		—
Pen Man Fd Series 20	120.4	122.4		—
Unit Linked Portfolio				
Managed Fund	135.6	142.7		—
Fixed Int. Fd.	146.5	154.2		—
Secure Cap Fd	132.1	139.1		—
Equity Fund	146.0	153.7		—
Property Fund	121.0	127.3		—

Irish Life Assurance Co. Ltd.
Basildon House, 7/11 Moorgate, EC2. 01-606 8401

Property Modules	270.0	[illegible]		—
Property Modules Gth.	157.7	[illegible]		—
Poty. Mod. Gilt. Ser.	117.6	[illegible]		—
Poty. Mod. 6th. Ser.	127.6	[illegible]		—
Blue Chip	77.6	[illegible]		—
Blue Chip Series 2	118.5	[illegible]		—
Blue Chip Series 3	111.2	[illegible]		—
High Income Series 3	268.8	[illegible]		—
Managed	291.8	[illegible]		—
Managed Series 2	116.8	[illegible]		—
Managed Series 3	115.9	[illegible]		—
Global Series 3	130.1	[illegible]		—
Exempt Managed	175.6	[illegible]		—
Poty. Pen. Ser. 2	115.6	[illegible]		—
Equity Pen. Series 2	118.9	[illegible]		—
Gilt Edged Pen. Ser. 2	126.5	[illegible]		—
Managed Pen. Ser. 2	124.1	[illegible]		—
Cash Pension Series 2	102.7	[illegible]		—

King & Shaxson PLC
52, Cornhill, EC3. 01-623 5433

Bond Fd. Exempt	£94.29	95.95xd	+1.2%	—

Langham Life Assur. Co. Ltd.
Langham Hse., Holmbrook Dr., NW4. 01-203 5211

Harvest Pen. Fund	127.8	134.5		—
Langham 'A' Plan	78.7	82.8		—
Prop. Bond	215.2	226.6		—
Wisp (SP) Man Fd	99.8	105.0		—

Legal & General (Unit Assur.) Ltd.
Kingswood House, Kingswood, Tadworth, Surrey KT20 6EU. Burgh Heath 53456

Cash Initial	115.4	[illegible]	+0.1	—
Do. Accum.	134.5	[illegible]	+0.1	—
Equity Initial	198.1	[illegible]	+1.9	—
Do. Accum.	228.1	[illegible]	+2.2	—
Fixed Initial	191.5	[illegible]	+2.9	—
Do. Accum.	223.2	[illegible]	+3.4	—
Intl. Initial	122.1	[illegible]	+3.2	—
Do. Accum.	140.2	[illegible]	+3.7	—
Managed Initial	177.5	[illegible]	+2.4	—
Do. Accum.	206.9	[illegible]	+2.8	—
Property Initial	138.0	[illegible]		—
Do. Accum.	160.9	[illegible]		—
Exempt Cash Init.	145.8	[illegible]	+0.1	—
Do. Accum.	176.0	[illegible]		—
Exempt Eqty. Init.	260.4	[illegible]		—
Do. Accum.	235.6	[illegible]		—
Exempt Fixed Init.	274.3	[illegible]		—
Do. Accum.	117.3	[illegible]		—
Exempt Intl. Initial	81.2	[illegible]		—
Do. Accum.	246.7	[illegible]		—
Exempt Mngd. Init.	287.2	[illegible]		—
Do. Accum.	154.6	[illegible]		—
Exempt Prop. Init.	180.0	[illegible]		—
Do. Accum.	105.9	[illegible]		—
Sp. Deposit Init	109.4	[illegible]		—
Do. Accum.				12.0

Legal & General Prop. Fd. Mgrs. Ltd.
11, Queen Victoria St., EC4N 4TP. 01-248 9678

L & G Aug 1	127.6	134.4		—

Next sub. day Sept 1.

Life Assur. Co. of Pennsylvania
8, New Rd., Chatham, Kent. Medway 812348

LACOP Units	11.93	12.53		—

Lloyds Life Assurance
20, Clifton St., EC2A 4HX 01-920 0202

Multi Gwth Aug 6		£2.08762		—
MltGwth ACap Aug 6	208.053	219.004		—
Op. 8 Prop A Aug 19	227.5	239.5		—
Op. 8 Equity Aug 19	227.5	239.5		—
Op. 8 Hy Aug 19	221.3	233.0		—
Op. 8 Man Aug 19	244.8	257.7		—
Op. 8 Dep Aug 19	171.3	180.4		—
Op. Int 8 Aug 19	123.7	130.3		—
Op. 8 Inc 0 Aug 19	105.6	111.2		—
Op. Int Mkt Aug 19	118.1	124.4		—
Op. 8 US$ F.I. Aug 19		119.4		—
Pens. Pr. Ac. Aug. 15	241.8	254.6		—
Pens. Pr. Cp. Aug. 15	181.6	191.2		—
Pens. Eq. Ac. Aug. 15	[illegible]	592.2		—
Pens. Eq. Cp. Aug. 15	[illegible]	444.8		—
PenFxdAc. Aug 15	[illegible]	301.9		—
Pens. Fxd. Aug. 15	[illegible]	226.8		—
Pens. Mng. Ac. Aug. 15	[illegible]	404.2		—
Pens. Mng. Cp. Aug. 15	[illegible]	303.6		—
Pens. Dp. Ac. Aug. 15	[illegible]	261.7		—
Pens. Dp. Cp. Aug. 15	[illegible]	196.6		—
Britannia Funds—Series A				
Am. Smlr. Co's Aug 18	82.1	[illegible]		—
Am. Spec. Sits. Aug 18	93.0	[illegible]		—
Commodity Aug. 18	68.1	[illegible]		—
Extr. Inc. Aug. 18	90.4	[illegible]		—
Far East Aug. 18	71.1	[illegible]		—
Fin. Secs. Aug. 18	101.0	[illegible]		—
Gold & Gen. Aug. 18	58.0	[illegible]		—
Growth Aug. 18	77.7	[illegible]		—
Inc. & Gwth. Aug. 18	102.6	[illegible]		—
Int. Gwth. Aug. 18	78.3	[illegible]		—
Japan Prtf. Aug. 18	67.5	[illegible]		—
Mineral Aug. 18	64.4	[illegible]		—
Nat. High Inc. Aug. 18	94.9	[illegible]		—
Prop. Shs. Aug. 18	82.9	[illegible]		—
Sp. Mkt. Aug. 18	80.0	[illegible]		—
Recovery Aug. 18	74.0	[illegible]		—
Smaller Co's Aug. 18	121.9	[illegible]		—
Univ. Energy Aug. 18	53.2	[illegible]		—
World Tec Aug. 18	84.4	[illegible]		—
Man. Growth Aug. 18	92.1	[illegible]		—
Gilt Aug. 18	98.6	[illegible]		—
HK Perfm Aug. 18	95.0	[illegible]		—
Sarbmore Funds—Series A				
American Aug. 17	93.5	98.5		—
British Aug. 17	93.8	98.8		—
Commodity Aug. 17	72.2	76.0		—
Extra Income Aug. 17	98.5	103.7		—
Far Eastern Aug. 17	83.6	88.1		—
High Incom Aug. 17	101.3	106.7		—
Incom Aug. 17	114.3	120.4		—
International Aug. 17	104.9	110.5		—
Special Sits Aug 17	106.8	112.5		—
Gilt Aug. 17	101.1	106.5		—
Japan Aug. 17	86.7	91.3		—
UK Smlr Cos Aug. 17	104.9	110.5		—
Man Growth Aug 17	92.3	97.2		—
Australian Aug. 17	91.4	96.3		—

London A'deen & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393

'Asset Builder'	54.5	57.4		—

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 589511

Money Manager	47.0	49.8	+0.1	—
M.M. Flexible	40.1	42.3	+0.2	—
Fixed Interest	50.4	53.2	+0.5	—

London Life Linked Assur. Ltd.
100, Temple St., Bristol, BS1 6EA. 0272-279179

Equity	168.3	173.3		—
Fixed Interest	140.0	140.6		—
Property	153.4	158.0		—
Deposit	133.7	133.7		—
Mixed	153.7	156.7		—
Indexed Stk.	104.6	105.1		—
London Life Managed Funds Ltd.				
Equity (P.)	115.9	119.9		—
Fixed Int. (P.)	135.9	140.7		—
Property (P.)	111.0	114.8		—
Deposit (P.)	109.3	109.3		—
Mixed (P.)	122.0	125.1		—
Indexed Stock (P.)	108.4	109.2		—

London & Manchester Gp.
Winslade Park, Exeter EX5 1DS. 0392 52155

Invest. Tst. Fd. Cap.	201.1	—		—
Invest. Tst. Fd. Acc.	278.6	—	+0.1	4.9
Property Fund Cap.	117.8	—	+0.1	2.4
Property Fund Acc.	129.3	—	+1.2	—
Flexible Fund Cap.	156.7	—	+1.2	1.3
Flexible Fund Acc.	158.7	—	+1.2	—
Fixed Int. Fd. Cap.	122.2	—	+1.8	—
Fixed Int. Fd. Acc.	125.3	—	+1.8	—
Gtd. Deposit Fd. Cap.	134.9	—		—
Gtd. Deposit Fd. Acc.	136.3	—	+0.1	—
Equity Fund Cap.	110.8	—	+1.3	—
Equity Fund Acc.	111.8	—	+1.3	—
International Fd. Cap.	96.5	—	+2.2	—
International Fd. Acc.	97.4	—	+2.2	—
Capital Gwth. Fd.	135.6	—	+2.3	—
Moneymaker Fund	141.5	—	+1.2	1.7
Exempt Inv. Tst.	286.8	—	+1.2	0.9
Exempt Property	178.7	—	+0.1	0.7
Exempt Flexible	203.1	—	+2.8	—

*Addition to price where reduced mngmt. charges apply.

M & G Group
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588.

American Fund Bond	76.2	80.2	+3.3	—
American Rec. Bond	99.7	104.8	+2.4	—
Australasia Bond	77.4	81.4	+0.6	—
Commodity Bond	81.7	85.9		—
Convert Deposit Bond	167.2	175.7	+0.2	—
Equity Bond (Acc)	209.6	220.2	+3.3	—
Extra Yield Fd. Bond	111.5	117.2	+2.2	—
Family Bonds		318.5		—
Far Eastern Bond	81.4	85.6	+2.9	—
Gilt Bond	158.7	166.8	+2.7	—
High Yield Bond	99.8	104.0	+1.3	—
Index-Linked Gt. Bd.	98.3	103.3	+0.3	—
International Bond	134.7	141.5	+3.0	—
Japan Fund Bond	56.6	59.5	+0.9	—
Managed Bond	201.9	212.1	+2.2	—
Property Bond	238.6	250.6		—
Recovery Fund Bond	101.8	107.0	+0.5	—
Flexible Pension Fund price Aug. 6.				
American (Cap.)	120.2	126.3		—
Do. (Accum.)	137.6	144.6		—
Deposit (Cap.)	121.1	127.2		—
Do. (Accum.)	138.7	145.7		—
Equity (Cap.)	127.6	134.1		—
Do. (Accum.)	146.2	153.6		—
Fixed Interest (Cap.)	164.7	173.1		—
Do. (Accum.)	188.7	198.2		—
Index-Linked Gt. (Cap)	87.0	91.4		—
Do. (Accum.)	99.6	104.7		—
Managed (Cap.)	132.7	139.4		—
Do. (Accum.)	151.9	159.6		—
PPP Fund (Cap.)	96.0	100.9		—
Do. (Accum.)	110.0	115.6		—
Pacific (Cap.)	131.4	138.1		—
Do. (Accum.)	150.5	158.1		—
Property (Cap.)	121.8	128.0		—
Do. (Accum.)	139.5	146.6		—
Personl. Pension		432.8		—

Manufacturers Life Insurance Co.
St. George's Way, Stevenage. 0438 56101

Managed	192.6	202.7		—
Property	159.5	167.9		—
Equity	163.3	171.9		—
Gilt Edged	229.4	241.5		—
Deposit	139.7	147.0		—
Investment	69.4	72.8		—
International	126.4	133.1		—
Pension Fund Prices				
Managed Init.		129.9		—
Do. Accum.		132.9		—
Property Init.		106.1		—
Do. Accum.		108.6		—
Equity Init.		126.7		—
Do. Accum.		129.6		—
Gilt-Edged Init.		132.4		—
Do. Accum.		135.4		—
Guaranteed Init.		107.2		—
Do. Accum.		109.7		—
International Init.		125.2		—
Do. Accum.		128.0		—
Index L. Gilt Init.		110.6		—
Do. Accum.		113.2		—

Merchant Investors Assurance
Leon House, 233 High St., Croydon 01-686 9171

Property		259.6		—
Property Pens.		313.5		—
Equity		86.3		—
Equity Pens.		293.0		—
Money Market		214.0		—
Money Mkt. Pens.		324.5		—
Deposit		176.8		—
Deposit Pens.		237.3		—
Managed		155.7		—
Managed Pens.		297.5		—
Intl. Equity		146.1		—
Do. Pens.		172.0		—
Intl. Managed		145.0		—
Do. Pens.		160.2		—
North American		80.4		—
Do. Pens.		75.1		—
Far East		82.2		—
Do. Pens.		84.0		—
Intnl. Currency		114.5		—
Do. Pens.		126.3		—
Index Linked		105.4		—

Multiple Health and Life Assur. Co. Ltd.
Stephenson House, Brunel Centre, Bletchley, Milton Keynes. 0908 641272.

Chrltse. Energy		52.3		—
Magna Bld. Soc.		182.3		—
Magna Managed		195.5		—

NEL Pensions Ltd.
Milton Court, Dorking, Surrey. 0306 887766

Nelex Eq. Cap.	126.8	[illegible]		—
Nelex Eq. Accum.	207.8	[illegible]	+3.3	—
Nelex Gilt+F.I. Cap.	67.7	[illegible]		—
Nelex Gilt+F.I. Acc.	88.6	[illegible]		—
Nelex Gth Inc Cap	72.0	[illegible]		—
Nelex Gth Inc Acc	88.0	[illegible]		—
Nelex Managed Cap.	57.7	[illegible]		—
Nelex Managed Acc.	72.1	[illegible]		—
Nelex Deposit Cap.	64.5	[illegible]		—
Nelex Deposit Acc.	76.9	[illegible]		—
Nelex Int. Fxd. Int. Cap	58.4	[illegible]	+1.0	—
Nelex Int. Fxd. Int. Acc.	66.2	[illegible]	+1.1	—
NelIndexLk. Secs. Cap	45.7	[illegible]		—
NelIndexLk. Secs. Acc	40.9	[illegible]		—

Next sub. day August [illegible]

NPI Pensions Management Ltd.
48 Gracechurch St., EC3P 3HH. 01-623 4200

Managed Fund	297.0	309.4		—

Prices August 2. Next dealing September 1.

National Provident Institution
48, Gracechurch St., EC3P 3HH. 01-623 4200.

Managed	112.7	118.7	+1.3	—
UK Equity	110.4	116.3	+1.0	—
Overseas Eq.	86.2	90.8	+1.4	—
Americas	90.8	95.6	-0.9	—
Far East	77.0	81.1		—
Property	101.0	106.4		—
Fixed Int.	130.1	137.0	+1.7	—
Indexed Gilt	97.1	102.3		—
Deposit	99.7	105.0	-0.2	—
Pension Fund Prices				
Man. Initial	105.5	[illegible]	+0.6	—
Man.	106.9	[illegible]	+0.6	—
UK Eq. Initial	103.0	[illegible]	+0.4	—
UK Eq.	104.5	[illegible]	+0.4	—
Overseas Eq. Initial	92.5	[illegible]	-0.5	—
Overseas Eq.	93.8	[illegible]	-0.5	—
Americas Initial	98.1	[illegible]	-0.9	—
Americas	94.3	[illegible]	-0.9	—
Far East Initial	91.9	[illegible]	-1.0	—
Far East	93.1	[illegible]		—
Prop. Initial	99.7	[illegible]		—
Prop.	101.0	[illegible]		—
Fixed Int. Initial	115.1	[illegible]	+1.4	—
Fixed Int.	116.7	[illegible]	+1.4	—
Indexed Gilt Initial	96.9	[illegible]	-0.4	—
Indexed Gilt	98.2	[illegible]	-0.4	—
Deposit Initial	98.3	[illegible]		—
Deposit	99.6	[illegible]		—

New Zealand Sth. Brit. Insce. PLC
Maitland House, Southend SS1 2JS 0702 62955

Kiwi Key Inv. Plan	249.4	257.2		—
UK Equity	108.9	114.7	+0.2	—
American	145.3	153.0		—
Pacific	187.0	197.2	+1.6	—
Property	132.3	139.4		—
Gilt	141.5	149.0	+0.9	—
High Inc. Equity	106.4	112.0	+0.7	—
High Inc. Fxd. Int.	94.0	99.0		—
Deposit	132.1	139.1		—
Index-Linked Gilt	97.9	103.1	+0.6	—

Norwich Union Insurance Group
PO Box 4, Norwich NR1 3NG. 0603 22200

NUIG (Managed Funds) Ltd.				
Managed Fund	349.0	367.3	+2.8	—
Equity Fund	572.9	603.0	+2.7	—
Property Fund	219.2	230.7		—
Fixed Int. Fund	232.3	244.5	+4.2	—
Deposit Fund	151.1	159.0		—
Norwich Union Life Insurance Society Pensionfunds				
Fixed Interest*	134.0	141.0		—
Ordinary Share*	126.4	133.0		—
Property*	108.9	114.6		—
Deposit*	105.6	111.1		—
Index Linked Secs.*	106.5	112.1		—
Mixed*	123.6	130.1		—
	Prices at Aug 17.			
Nor. Units Aug. 15		313.4		—

Pearl Assurance (Unit Funds) Ltd.
252 High Holborn, WC1V 7EB. 01-405 8441.

Inv. Prop. Dist.	133.5	140.6		—
Inv. Prop. Acc.	177.3	186.7		—
Inv. Equity	181.2	190.8		—
Inv. Managed	166.7	175.5		—
Pearl Assurance (Unit Linked Pensions) Ltd.				
Ret. Managed	138.1	145.4		—

Phoenix Assurance Co. Ltd.
4-5 King William St., EC4P 4HR. 01-626 9876

Wealth Ass.	183.9	193.7		—
Eb'r. Ph. Eq. E.	114.6	122.0		—

Pioneer Mutual Insurance Co. Ltd.
16, Crosby Rd., N. Waterloo, L'pool 051-928 6655

Managed Fund	128.4	136.3		—

Planned Savings Group
68, East Street, Horsham 0403 50255

1st Managed	68.0	72.3		—
1st Fixed Interest	84.9	90.3		—
4th Managed	60.4	64.4		—
5th Managed	67.6	71.9		—
Pension Managed	74.3	79.0		—

Premium Life Assurance Co. Ltd.
Eastchester Hse., Haywards Heath 0444 458721

American Tech. Fd.	96.0	101.0	+2.0	—
Building Soc. Fd.	108.0	114.0		—
Balanced	119.0	126.0		—
Data Mangd. Fd.	94.0	99.0		—
Deposit	112.0	118.0		—
Gilt	126.0	133.0	+2.0	—
Natural Resources	76.0	80.0		—
Property	128.0	135.0		—
UK Equity	107.0	113.0		—
International Equity	92.0	97.0		—

Prop. Equity & Life Ass. Co.
42 Houndsditch, London EC3A 7AY 01-621 1124

R. Silk Prop. Bond		249.2		—

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU. 01-680 0606

Property Fund		283.6		—
Property Fund (A)		276.9		—
Agricultural Fund		1031.9		—
Agric. Fund (A)		1008.4		—
Abbey Nat. Fund		219.9		—
Abbey Nat. Fd. (A)		214.1		—
Investment Fund		108.6		—
Investment Fund (A)		107.4		—
Equity Fund		323.6	+0.9	—
Equity Fund (A)		318.6	+0.9	—
Money Fund		196.9		—
Money Fund (A)		193.9		—
Actuarial Fund		169.7		—
Gilt-edged Fund		178.8	+4.3	—
Gilt-Edged Fd. (A)		178.8	+4.3	—
Retire Annuity		327.6		—
Immed. Anty		191.0		—
International Fd.		151.6	+0.1	—
Prop. Growth Pensions & Annuities Ltd.				
All Wther Ac. Uts.	210.3	220.8		—
Inv. Fd. Uts.		247.8		—
Pension Fd. Uts.		222.7		—
Conv. Pens. Fd.		245.9		—
Cnv. Pns. Cap. Ut.		191.9		—
Man. Pens. Fd.		259.2		—
Man. Pens. Cap. Ut.		210.5		—
Prop. Pens. Fd.		249.8		—
Prop. Pens. Cap. Uts.		197.4		—
Bldg. Soc. Pen. Ut.		221.4		—
Bldg. Soc. Cap. Ut.		177.5		—
Gilts Pens. Fd.		148.5		—
Gilts Pens. Fd. Cap.		135.1		—
Equity Pens. Fd.		187.4	+0.3	—
Equity Pens. Fd. Cap.		171.2		—

Providence Capitol Life Assc. Co. Ltd.
30 Uxbridge Road, W12 8PG. 01-749 9111

Special Mkt Fd.	[illegible]	47.3		—
Pension Equity	[illegible]	237.2		—
Pension Fxd. Int.	[illegible]	226.0		—
Deposit Fd. Cap.	[illegible]	73.9		—
Ind. Pens. Dep. Fd. Acc.	[illegible]	83.5		—
Equity Fd. Acc.	[illegible]	71.3		—
Ind. Pens. Eq. Fd. Acc.	[illegible]	81.0		—
Fxd. Int. Acc.	[illegible]	74.9		—
Ind. Pens. Fxd. Int. Acc.	[illegible]	78.4		—
Intnl. Acc.	[illegible]	73.0		—
Ind. Pers. Intnl. Acct.	[illegible]	75.6		—
Managed Fd. Acc.	[illegible]	68.1		—
Ind. Pens. Man. Fd. Acc.	[illegible]	74.7		—
Property Fd. Acc.	[illegible]	107.1		—
Ind. Pens. Prop. Fd. Acc.	[illegible]	72.7		—

For Other Funds and [illegible] Units ring 01-[illegible] 9111.

Provincial Life Assurance Co. Ltd.
222, Bishopsgate, EC2. 01-247 6533

Managed Fd.	197.7	[illegible]	+2.5	—
Cash Fd.	147.2	[illegible]		—
Property Fund	166.9	[illegible]		—
Equity Fund	178.5	187.[illegible]	+2.0	—
Fxd. Int. Fund	160.2	168.[illegible]	+3.3	—
International	92.8	97.[illegible]	+1.6	—
High Income	104.3	[illegible]	+0.7	—
Far East	92.0	96.[illegible]	+2.0	—
North American	101.9	107.[illegible]	+2.7	—
Special Sits.	107.6	[illegible]	+0.2	—
Technology	98.5	103.[illegible]	+2.4	—
Managed Pens. Acc.	139.4	146.[illegible]	+1.6	—
Deposit Pens. Acc.	124.2	130.[illegible]	+0.3	—
Property Pens. Acc.	131.1	138.[illegible]	+0.3	—
Fix. Int. Pens. Acc.	145.7	153.[illegible]	+2.1	—
Equity Pens. Acc.	145.7	153.[illegible]	+1.5	—

For Capital Unit and Other Prices ring 01-247 6533.

Prudential Pensions Limited
Holborn Bars, EC1N 2NH. 01-405 9222

Equity Fd. Aug. 18	£38.64	39.83		—
Intl. Fd. Aug. 18	£5.62	5.79		—
Fixed Int. Aug. 18	£31.36	31.77		—
Prop. Fd. Aug. 18	£51.12	52.70		—
Cash Fund Aug. 18	£10.38	10.38		—
Pre-Link Retirement Plan.				
Managed Fund	£1.074	1.119		—
Cash Fund	£1.016	1.059		—

Refuge Investments Limited
103 Oxford St., Manchester 061-236 9432

Managed	108.6	114.4		—
Property	105.5	111.1		—

Reliance Mutual
Tunbridge Wells, Kent. 0892 22271

Equity Fund	101.4	106.7		—
Prop Fd. (1st Issue)		356.3		—
Prop Fd. (2nd Issue)	110.6	116.4		—
Managed Fd.	111.6	117.4		—

Royal Life Insurance Ltd.
New Hall Place, Liverpool L69 3HS 051-227 4422

Royal Shield Fd.	248.6	263.0	+1.9	—
Royal Life (Unit Linked Assurances) Ltd.				
Managed Fund	103.1	108.5	+0.8	—
Equity Fund	105.9	111.4	+0.8	—
Property Fund	106.8	112.4		—
International Fund	96.4	101.4	+2.1	—
Gilt Fund	109.8	115.5	+0.7	—
Money Fund	97.0	102.1	+0.1	—

Save & Prosper Group
4, Gt. St. Helen's, Lndn., EC3P 3EP. 01-554 8899

Global Equity Fund (z)	51.7	54.8	+0.3	—
Bal. Inv. Fd.	196.4	207.9	+1.2	—
Property Fd.*	257.2	272.2		—
Gilt Fd.	190.3	201.4	+2.9	—
Deposit Fd.‡	171.9	182.0		—
Man. Pens. Fd.‡	348.6	368.9		—
EquityPens. Fd.	336.5	356.1	+4.3	—
Prop. Pens. Fd.	508.0	537.6		—
Gilt Pens. Fd.	167.6	177.4	+2.6	—
Depos. Pens. Fd.‡	167.5	177.3		—
A. G. Bond Fund (z)	46.1	48.8	+0.1	—

*Prices on Aug 11. ‡Weekly dealings.

Schroder Life Assurance Ltd.
Enterprise House, Portsmouth. 0705 827733

Equity	352.9	[illegible]	+[illegible]	—
Fixed Interest	214.2	[illegible]	+3.[illegible]	—
Property	251.9	[illegible]		—
Overseas	105.4	[illegible]		—
Money	147.4	[illegible]		—
Managed	206.7	[illegible]		—
CCM Vanguard Mngd	143.9	[illegible]		—
Income Distrib.	115.2	[illegible]		—
Income Accum.	134.8	[illegible]		—
Capital	122.1	[illegible]		—
General	122.7	[illegible]		—
Europe	83.6	[illegible]		—
Smaller Co's.	121.3	[illegible]		—
American	103.2	[illegible]		—
Tokyo	95.7	[illegible]		—
Gilt & Fxd. Int.	121.3	127.8	+2.1	—
Australian	80.8	85.[illegible]	-0.4	—
Singapore & Malay	79.0	83.[illegible]	-0.2	—
Equity Pension	176.1	185.5		—
Fxd Int Pension	158.4	166.4		—
Property Pension	209.7	220.9		—
Overseas Pension	88.8	93.5		—
Money Pension	163.0	171.6		—
Managed Pension	442.1	465.4		—
American Pension	93.3	98.3		—
Tokyo Pension	79.3	83.5		—
Australian Pen.	88.3	93.0		—
Sing. & Malay Pen.	75.7	79.7		—
Special E. Pension	99.3	104.6		—
B. Soc. Pension	227.9	239.9		—

Prices are for Life Series 4 Acc Aug 23 and Pensions Series B Acc Aug 23. Other prices on request.

Scottish Amicable Investments
P.O. Box 25, Craigforth, Stirling.

Equity	122.0	[illegible]	+0.4	—
Fixed Interest	125.4	[illegible]	+1.7	—
International	100.3	[illegible]	+2.1	—
Property	106.2	[illegible]		—
Cash	106.4	[illegible]	-0.3	—
Index Linked Gilt	98.6	[illegible]	+1.1	—
Managed	119.7	[illegible]	+0.4	—
Exempt Eq. Init.	100.2	[illegible]	+0.4	—
Do. Accum.	103.6	109.[illegible]	+1.0	—
Exempt Fxd. Int. Init.	123.6	130.[illegible]	+1.5	—
Do. Accum.	127.9	134.[illegible]	+1.7	—
Exempt Intnl. Init.	84.5	89.[illegible]	+3.0	—
Do. Accum.	87.4	92.[illegible]	+3.1	—
Exempt. Prop. Init.	94.3	[illegible]	-0.1	—
Do. Accum.	97.6	[illegible]	+0.1	—
Exempt Cash Init.	98.3	[illegible]		—
Do. Accum.	101.6	107.[illegible]		—
Exempt Man. Init.	103.7	[illegible]	+1.0	—
Do. Accum.	107.2	112.[illegible]	+1.0	—

Scottish Mutual Assurance Society
109 St. Vincent St., Glasgow 041-248 6321

Flex. End Aug. 17	346.2	356.9		—
Pen. Mngd. July 30	241.5	249.0		—

Scottish Widows' Group
PO Box 902, Edinburgh EH16 5BU 031-655 6000

Inv Pol 1 Aug 20	178.2	[illegible]		—
Inv Pol 2 Aug 20	166.4	[illegible]		—
Inv Cash Aug 20	128.2	[illegible]		—
Mixed Fund	111.0	[illegible]		—
Equity Fund	115.3	[illegible]		—
Property Fund	103.9	[illegible]		—
International Fund	86.4	[illegible]		—
Fixed Int. Fund	127.8	[illegible]		—
Index Stk. Fund	98.6	[illegible]		—
Cash Fd.	103.9	[illegible]		—
Pens. Mixed Fd. Ord.	118.2	[illegible]	+2.[illegible]	—
Pens. Equity Fd. Ord.	120.1	[illegible]		—
Pens. Prop. Fd. Ord.	106.6	[illegible]		—
Pens. Inc. Fd. Ord.	82.0	[illegible]		—
Pens. Fxd. Int. Fd. Ord.	137.0	[illegible]	+3.7	—
Pen. Ind. Stk. Fd. Ord.	99.4	[illegible]		—
Pens. Cash Fd. Ord.	109.6	[illegible]	+0.2	—
Pens Man Aug 18	495.0	[illegible]	+18.4	—
Do SE Fd Aug 18	497.6	[illegible]	+18.4	—
Do Pro Fd Aug 18	110.9	[illegible]		—
Do Cash Fd Aug 18	118.4	[illegible]		—
Ex Unit Acc Aug. 18	229.7	[illegible]		—
Ex Unit Inc Aug 4	213.7	222.[illegible]		—

Skandia Life Assurance Co. Ltd.
162-166 Fleet St., London EC4 2DY 01-353 8511

Managed Acc.	127.0	133.7	+1.3	—
Equity Acc.	131.6	138.5	+0.9	—
Gilt Plus Acc.	127.3	133.9	+1.9	—
International Acc.	120.2	126.5	+1.6	—
Pens. Managed Acc.	143.9	151.5	+1.8	—
Pens. Equity Acc.	147.2	154.9	+1.3	—

For Prices of other Units and Guaranteed Basis Rates please Phone 01-353 8511

For Solar Life Assurance Ltd. see San Life Unit Assurance Ltd.

Standard Life Assurance Company
3 George St., Edinburgh EH2 2XZ. 031-225 7971.

Managed	152.8	160.[illegible]	+2.3	—
Property	138.6	145.[illegible]	+0.1	—
Equity	177.6	187.[illegible]	+2.6	—
International	151.4	[illegible]	+1.8	—
Fixed Interest	142.8	[illegible]	+2.7	—
Index Linked	95.2	[illegible]	+0.1	—
Cash	122.0	128.[illegible]	+0.1	—
Pension Managed	168.0	[illegible]	+2.6	—
Pension Property	137.1	[illegible]		—
Pension Equity	195.6	[illegible]	+3.2	—
Pension Intl.	157.5	[illegible]	+1.5	—
Pension Fxd. Int.	151.3	159.[illegible]	+3.3	—
Pension Index Linked	95.7	100.[illegible]	+0.1	—
Pension Cash	132.3	[illegible]	+0.1	—

Sun Alliance Insurance Group
Sun Alliance House, Horsham. 0403 64141

Index Linked Fund	99.3	104.5	-0.4	—
Equity Fund	228.8	242.9	+1.0	—
Fixed Interest Fund	172.8	181.9	+2.2	—
Property Fund	216.4	227.8		—
International Fd.	120.4	126.8	+5.6	—
Deposit Fund	135.3	142.5		—
Managed Fund	183.7	193.4	+2.9	—
Intl Bond Aug 18	£12.82			—
Individual Pension Funds				
Index Linked	113.5	119.5	-0.4	—
Equity	108.4	114.0	+0.5	—
Fixed Int.	132.8	139.8	+1.8	—
Property	99.7	105.0		—
International	96.6	101.7	+4.8	—
Deposit	101.1	106.5		—
Managed	110.1	115.9	+1.6	—
Group Pension Funds				
SAFM-Fd Int. Aug 11	£225.90	232.90		—
Property Aug 11	£115.90	120.30		—

Sun Life of Canada (UK) Ltd.
2, 3, 4, Cockspur St., SW1Y 5BH 01-930 5400

Maple Leaf Plans				
Growth Account		342.1	—	+10.4
Managed Account		219.6	—	+8.7
Equity Account		271.7	—	+14.3
Managed Fd. Accum.	103.3	108.8	+5.5	—
Equity Fd. Accum.	100.3	105.6	+4.2	—
Property Fd. Accum.	98.1	103.3	+0.1	—
Fixed Int. Fd. Accum.	109.5	115.3	+8.1	—
Intnl. Fd. Accum.	94.7	99.7	+3.9	—
Money Fd. Accum.	98.0	103.2	+0.3	—
Index-Ld. Sec. Fd. Accm.	97.7	102.8	+1.6	—
Pension Plans				
Pers. Pens. Account	152.8			—
Pens. Mgd. Acc. Accm.	165.4	174.2		—

Sun Life Unit Assurance Ltd.
107, Cheapside, London, EC2V 6DU. 0272-299 524

Managed Cap.	188.1	[illegible]		—
Managed Acc.	202.8	[illegible]		—
Property Cap.	167.2	[illegible]		—
Property Acc.	181.7	[illegible]		—
Equity Cap.	239.4	[illegible]		—
Equity Acc.	260.3	[illegible]		—
Fixed Interest Cap.	142.9	[illegible]		—
Fixed Interest Acc.	155.6	[illegible]		—
Cash Cap.	130.1	[illegible]		—
Cash Acc.	142.5	[illegible]		—
International Cap.	125.5	[illegible]		—
International Acc.	135.9	[illegible]		—
American Cap.	101.7	[illegible]		—
American Acc.	110.4	[illegible]		—
Far Eastern Cap.	113.5	[illegible]		—
Far Eastern Acc.	123.0	[illegible]		—
Distribution	108.7	[illegible]		10.71
Sun Life Pensions Management Ltd. (units for individual pension contracts)				
Pens. Managed Cap.	151.4	159.4		—
Pens. Managed Acc.	163.8	172.5		—
Pens. Property Cap.	118.9	125.2		—
Pens. Property Acc.	128.8	135.6		—
Pens. Equity Cap.	169.1	178.0		—
Pens. Equity Acc.	182.7	192.4		—
Pens. F. Interest Cap.	117.1	123.3		—
Pens. F. Interest Acc.	126.6	133.3		—
Pens. Cash Cap.	118.6	124.9		—
Pens. Cash Acc.	127.3	134.0		—
Pens. Intnl. Cap.	120.4	126.8		—
Pens. Intnl. Acc.	129.8	136.7		—
Pens. American Cap.	83.4	87.8		—
Pens. American Acc.	89.9	94.7		—
Pens. Far Estrn. Cap.	136.8	144.0		—
Pens. Far Estrn. Acc.	147.0	154.8		—

Target Life Assurance Co. Ltd.
Target House, Gatehouse Road, Aylesbury, Bucks. Aylesbury (0296) 5941

Man. Fund Inc.	133.7	140.7		—
Man. Fund Cap.	116.1	122.3		—
Man. Fund Acc.	184.3	194.0		—
Man. Fd. Init.	129.3	136.1		—
Prop. Fund Inc.	141.6	149.1		—
Prop. Fd. Cap.	122.0	128.5		—
Prop. Fd. Acc.	207.8	218.8		—
Prop. Fd. Inv.	145.2			—
Fixed Int. Fd. Inc.	136.2	143.4		—
Fixed Int. Fd. Cap.	117.5	123.7		—
Fixed Int. Fd. Acc.	141.2	148.7		—
Fixed Int. Fd. Int.	129.9	136.8		—
Dep. Fd. Inc.	111.0	116.9		—
Dep. Fd. Acc.	122.1	128.6		—
Dep. Fd. Init.	111.6	117.5		—
U.K. Equity Fd. Inc.	137.2	144.5		—
U.K. Equity Fd. Cap.	118.9	125.2		—
U.K. Equity Fd. Acc.	144.1	151.7		—
U.K. Equity Fd. Init.	133.2	140.3		—
Int. Equity Fd. Inc.	114.6	120.7		—
Int. Equity Fd. Cap.	100.5	105.8		—
Int. Equity Fd. Acc.	115.8	121.9		—
Int. Equity Fd. Init.	108.3	114.1		—
Ret. Plan Ac. Pen.	140.0	150.4	+2.1	—
Ret. Plan Cap. Pen.	101.0	108.6	+1.6	—
Man. Pen. Fd. Acc.	335.4	353.1		—
Man. Pen. Fd. Cap.	265.8	279.8		—
Gilt Pen. Fd. Acc.	219.6	231.2		—
Gilt Pen Fd. Cap.	179.1	188.6		—
Prop. Pen. Fd. Acc.	245.8	258.8		—
Prop. Pen. Fd. Cap.	212.7	223.9		—
Guar. Pen. Fd. Acc.	162.1	170.7		—
Guar. Pen. Fd. Cap.	140.6	148.1		—
Index-L. Pen. Fd. Cap.	96.4	101.5		—
Index-L. Pen. Fd. Acc.	97.7	102.9		—
Sterling Fund		—		8.5
U.S. Dollar Fund		—		7.4
Swiss Franc Fund		—		5.90
Deutsche Mark Fund		—		5.20
Yen Fund		—		4.1

Transinternational Life Ins. Co. Ltd.
55-57, High Holborn, WC1V 6DU. 01-831 7481

Series 2 Man. Fd.	134.5	141.5		—
Series 2 Equity Fd.	139.8	147.1		—
Series 2 Prop. Fd.	119.9	126.2		—
Series 2 Fixed Int. Fd.	140.4	147.7		—
Series 2 Money Fd.	122.0	128.4		—
Series 2 O'seas Fd.	106.0	111.5		—
Tulip Invest. Fd.	238.4	251.0		—
Tulip Managed Fd.	171.4	180.4		—
Managed Inv. Fd. Int.	130.1	136.9		—
Managed Inv. Fd. Acc.	148.4	156.2		—
Man. Pen. Fd. Cap.	188.2	198.0		—
Man. Pen. Fd. Acc.	226.7	238.6		—

Trident Life Assurance Co. Ltd
London Road, Gloucester. 0452 36541

Managed	168.7	177.[illegible]	+1.6	—
Gtd. Mgd.	215.3	226.[illegible]		—
Property	249.7	[illegible]		—
American	126.8	[illegible]	+3.6	—
U.K. Equity Fund	165.8	[illegible]	+0.7	—
High Yield	181.3	[illegible]	+0.8	—
Gilt Edged	177.5	[illegible]	+1.7	—
Money	171.0	[illegible]		—
International	106.3	[illegible]	+1.8	—
Fiscal	129.6	[illegible]		—
Growth Cap.	173.0	[illegible]		—
Growth Acc.	197.7	[illegible]		—
Pens. Equity Acc.	178.7	[illegible]		—
Pens. Mngd. Acc.	206.6	[illegible]		—
Pens. Gilt Edged Acc.	179.9	[illegible]		—
Pens. Gtd. Dep. Acc.	175.6	[illegible]		—
Pens. Pty. Acc.	231.7	[illegible]		—
Trt Inv. Bond	56.2	[illegible]		—

Tyndall Assurance/Pensions
18, Canynge Road, Bristol. 0272 732241

3-Way		187.4		—
Do. Pens.		252.7		—
Equity		226.3		—
Bond		177.5		—
Property		185.2		—
Overseas Inv.		115.4		—
UK Inv.		223.1		—
Deposit		178.1		—
Man. Pen. 3-W		287.4		—
Equity Pen.		436.2		—
Bond Pen.		270.4		—
Prop. Pen.		169.6		—
Dep. Pen.		221.0		—
New Series from April 1 1982				0272 277458
U.K. Equity	112.0	117.9		—
Nth. American Eq.	95.4	100.5		—
Far East Eq.	97.5	102.7		—
Fixed	110.1	115.9		—
Cash Deposit	97.8	103.0		—
Property	97.0	102.2		—
Special Opp.	104.8	110.4		—
Managed	107.4	113.1		—
Index Linked Fund	102.1	107.5		—

Vanbrugh Life Assurance
41-43 Maddox St., Ldn. W1R 9LA. 01-499 4923

Managed Fd.	226.9	238.9	+1.9	—
Equity Fd.	384.0	404.3	+2.3	—
Intnl. Fd.	127.6	134.4	+3.6	—
Fixed Int. Fd.	226.7	238.7	+0.2	—
Prop. Fd.	235.4	247.8	+0.2	—
Cash Fd.	165.7	174.5	+0.1	—

Vanbrugh Pensions Limited
41-43, Maddox St., Ldn., W1R 9LA 01-499 4923

Managed	180.3	189.8		—
Equity	208.1	219.1		—
Fixed Interest	171.8	180.9		—
Property	168.9	177.8		—
Index Linked Gilt	100.9	106.3		—
Guaranteed		10.12		—

Windsor Life Assur. Co. Ltd.
Royal Albert Hse., Sheet St., Windsor 68144.

Investor Units	111.7	117.5		—
Accum. Pen. Units	176.0	185.1		—
Flex. Inv. Growth	124.9	131.5		—
Future Assd Growth	90.0(a)	54.0(b)		—
Ret. Ass'd Pen.		£34.06		—

OFFSHORE AND OVERSEAS

Adig Investment
Postfach 708, 8000 Munich 1, Telex 524269

Adirenta	DM20.09	20.69	+0.09	—
Distribution Aug '82	DM1.75			—
Adiverba	DM48.42	50.84	+0.64	—
Distribution Aug '82	DM1.48			—
Fondak	DM26.46	27.78	+0.37	—
Distribution Aug '82	DM1.14			—
Fondis	DM20.82	21.86	+0.39	—
Distribution Aug '82	DM0.99			—

Albany Fund Management Limited
P.O. Box 73, St. Helier, Jersey. 0534 73933

Albany $ Fd. (CI)	$147.35	149.89		2.57

Next dealing August 27.

Allan Harvey & Ross Inv. Mgt. (C.I.)
1 Charing Cross, St. Helier, Jsy., C.I. 0534-73741

AHR Dollar Inc. Fd.	$10.41	10.43xd	+0.03	11.75
AHR Gilt Edg. Fd.	£13.09	13.18xd	+0.13	11.11

Alliance International Dollar Reserves
c/o Bank of Bermuda, Hamilton, Bermuda.
Adv: ACMI, 62/63 Queen St., EC4. 01-248 8881
Distribution Aug 18 (0.002247) (10.79% pa)

Arbuthnot Securities (C.I.) Ltd. (a)(c)(h)
P.O. Box 428, St. Helier, Jersey. 0534 76077

Dollar Income Tst.	$0.999	1.041	-0.01	12.01
East. Intl. & Energy	136.5	146.7	-0.1	0.85
Gov't Secs. Tst.	89.0	94.9xd	+0.1	11.78
	Daily Dealing-yields based on estimates.			
Sterling Fd.	144.7	144.8		8.36

Dealing on Wednesday.

B.I.A. Bond Investments AG
10, Baarerstrasse CH6302, Zug, Switzerland

Bearer Sfd. Aug 19	10,460	11,000		—

Bank of America International S.A.
35 Boulevard Royal, Luxembourg G.D.

Wldinvest Income	$109.97	110.53		16.73

Prices at Aug 12. Next sub Aug 18.

Barclays Unicorn International
1, Charing Cross, St. Helier, Jersey. 0534 73741

Unigilt Trust	43.2	44.8		12.00
Unidollar Trust	$10.87	11.42		2.00
Unibond Trust	$82.60	83.38		11.90
1, Thomas St., Douglas, Isle of Man				0624 4856
Unicorn Aust. Ext.	47.7	51.3xd		2.30
Do. Aust. Min.	41.2	44.4		2.70
Do. Grtr. Pacific	102.4	110.8		—
Do. Intl. Income	30.6	33.0		9.70
Do. Isle of Man Tst.	45.6	49.1		4.80
Do. Manx Mutual	42.0	45.2		2.40

Bishopsgate Commodity Ser. Ltd.
P.O. Box 42, Douglas, I.o.M. 0624-23911

ARMAC** Aug. 2	$50.98	54.21		—
COUNT** Aug. 2	£3.073	3.259		1.61
CANRHO** Aug. 2	£1.364	1.460		—
MAPSA* Aug. 2	$9.58	10.19		—

Original issue *$10 and **£1. Next val. Sept 6.

Bridge Management Ltd.
GPO Box 590, Hong Kong

N'bashi July 31		Y25,993		—
Nippon Fd. Aug. 18	17.97	18.77		1.44

Britannia Intl. Investment Mngmt. Ltd.
Box 271, Queensway House, Queen Street, St. Helier, Jersey C.I. 0534-73114

U.S. Dollar Denominated Funds				
Am. Smaller Cos. Fd.	$1.307	1.405		—
Gold Fund*	$0.801	0.861	+0.026	6.16
First Intl.	$214.50	215.57		—
Universal Grwth Fund	$0.751	0.808		—
Dollar Income Fd.	$0.781	0.830		12.90
Normandie Intl. SPRT	$9.50	10.00		—
	†New dealing Sept. 6.			
Sterling Denominated Funds				
American Investments	49.7	53.4		4.00
Australian Perf. Fd.	60.5	65.0	+0.5	—
Far East Fund	74.3	79.9		1.00
First Sterling	£18.23	18.33		—
Jersey Energy Tst	14.7	15.8		7.50
Jersey Gilt*	22.3	23.6xd	+0.3	11.65
U.K. Growth Fund	43.2	46.5		3.87
USM Fund*	105.5	113.4	+0.5	—
Sterling Deposit Funds				
Managed Currcy. Fd.*	£12.31	12.96	+0.02	8.68
Capital Dep. Trust**	£14.52	14.53	+0.04	0.25
King & Shaxson Mngrs.				
1, Charing Cross, St. Helier, Jersey. 0534 73741				
1, Thomas Street, Douglas, I.o.M. 0624 4856				
Gilt Trust (I.O.M.)	97.7	100.1xd	+5.2	11.75

*Daily Dealing—Other Funds Weekly Mondays. **Tuesday Weekly-Capital Return 9.35%.

Brown Shipley Tst. Co. (Jersey) Ltd.
P.O. Box 583, St. Helier, Jersey. 0534 74777

Sterling Bd. Fd. (h)	£10.69	10.64	+0.11	12.28
Sterling Cap. Fd. (a)	£14.72	14.73		—
Int. Cur. Fd. (a)(h)	£1.00	1.06		—

Butterfield Management Co. Ltd.
P.O. Box 195, Hamilton, Bermuda.

Buttress Equity	$3.66	3.90		1.43
Buttress Income	2.30	2.44		12.44

Prices at July 12. Next sub. day Aug. 9.

CAL Investments (IoM) Ltd.
16, St. Georges St., Douglas, IOM. 0624 25031

CAL Cmdty. & Crncy.*	£1.024	1.078		4.47
CAL Metal**	74.4	78.4		—

Next dealing day *Sept 6. **Sept 13.

Capdirex S.A.
P.O. Box 178, 1211 Geneva 12, 010 4122 466288

Fonselex	Fr124.85	129.55	+4.69	2.0
Bondselex	Fr 109.90	155.55		—

Capital Asset Managers Ltd.
Bermuda Hse, St. Julians Ave, St. Peter Port, Guernsey C.I. 0481 26268

The Currency Trust	84.00	89.00		1.11

Capital International Fund S.A.
43 Boulevard Royal, Luxembourg

Capital Int. Fund		$23.36	+0.01	—

Charterhouse Japhet
1 Paternoster Row, EC4 01-248 3999

Emperor Fund*	5.74	6.03		—
Hispano	33.20	34.87		8.25

Prices at Aug 15. Next sub day Sept 1.

Charterhouse Japhet Currency Mngt. Ltd.
Channel Hse., St. Helier, Jersey. 0534 74689

Central Assets Currency Funds Ltd.

US$		10.54		—
£ Sterling		10.68		—
D Marks		41.22	+0.03	—
Sw Francs		40.36		—
Fr Francs		107.98	+0.21	—
SDR's		263.30	+0.30	—

Chawton Commodities (Isle of Man) Ltd.
29, Athol Street, Douglas, I.o.M. 0624 21724

Normandy Metal Trust	£1.2041	1.2675		4.00
Normandy Com. Tst.	£1.2843	1.3519		4.00
Camb. Currency & Gd.	£1.1070	1.1653		6.00

Cornhill Ins. (Guernsey) Ltd.
P.O. Box 157, St. Peter Port, Guernsey

Intnl. Man. Fd.	224.0	244.0		—

Cortexa International
10a, Boulevard Royal, Luxembourg.

Cortexa Intnl.		$73.49	+1.88	—

Craigmount Fixed Int. Mngrs. (Jersey)
P.O. Box 195, St. Helier, Jersey. 0534 27561

Gilt Fund (Jsy.)	92.4	92.5xd		12.00

Valued weekly Wednesday.

DWS Deutsche Ges. F. Wertpapiersp
Gruneburgweg 113, 6000 Frankfurt

Investa	DM30.97	32.55	+0.50	—

Delta Group
P.O. Box 3012, Nassau, Bahamas

Delta Inv. Aug 17	$2.47	2.59		2.54

London Agents: Kleinwort Benson. Tel: 01-623 8000

Deutscher Investment-Trust
Postfach 2685 Biebergasse 6-10 6000 Frankfurt.

Concentra	DM16.38	16.79		—
Int. Rentenfonds	DM67.04	68.72		—

Drexel Burnham Lambert
77, London Wall, London, EC2. 01-628 3200
Winchester Diversified Ltd. NAV July 30. $22.51.
Winchester Overseas Ltd. NAV July 30. US$8.10.
Winchester U.S. Reserves Ltd. Current yield 12.2%.

Dreyfus Intercontinental Inv. Fd.
P.O. Box N3712, Nassau, Bahamas.

NAV Aug. 17	$24.73	26.13		6.40

Duncan Lawrie Inv. Mgt. Ltd.
Victory Hse, St Peter Port, Guernsey. 0481 28034

DL Sterling	44.7	47.0		6.50
DL International	$0.95	1.01		0.00

Emson & Dudley Tst. Mgt. Jrsy. Ltd.
P.O. Box 73, St. Helier, Jersey. 0534 73933

E.D.I.C.T.	98.2	107.2		—

The English Association
4 Fore Street, EC2. 01-588 7081

E. A. Income Fd.*	58.7	62.5xd		8.00
E. A. Sterling*	78.65	78.68		—
E. A. Equity*	56.4	60.1		2.08
Wardgate Cm. Fd.**	£16.21	16.87		2.96

*Next dealing Aug 25. **Next dealing Aug 31.

Ermitage Management Ltd.
Granville Hse., St. Helier, Jersey, C.I. 0534 76007.

External Fund		$130.53		—
Cash Fund		£14.62		—

Eurobond Holdings N.V.
Pietermaai 15, Willemstad, Curacao.
London Agents: Intel 1/3 Worship St., London EC2 Tel: 01-638 6011. Telex: 8814408.

Euro Hldgs.	$21.25	22.01		9.50

S.G. Europe Obligations S.A.
9, Avenue de la Liberte, Luxembourg
London Agent: FFS, Salisbury Hse, London Wall EC2M 5TA. Tel. 01-920 0776 Telex 887281

Europe-Obligations		$42.96	+0.57	1.37

Eurotax Investments Ltd.
1, Athol St., Douglas, Isle of Man. 0727 33166
UK Agents FIS, St. Albans.

Eurotax Inv. Fund	108.6	114.3		—

Executive Life (C.I.F. Managers Ltd.)
P.O. Box 1063 Grand Cayman B.W.I.

Trans Atlntc. Gwth. Fd.		$10.52		—

F & C Mgmt. Ltd. Inv. Advisers
1, Laurence Pountney Hill, EC4. 01-623 4680

F&C Atlantic Fd. SA		$8.53		1.76
F&C Oriental Fd.		$16.24		1.25

Price Aug. 11. Weekly dealings.

Fidelity International.
8 Queensway House, Queen St, St. Helier Jersey CI. 0534 71696
P.O. Box 670, Hamilton, Bermuda.

American Assets(z)		$37.70	+0.89	1.38
Am. Vals. Cum. Pf.		$102.00		3.00
American Vals. Com.	$8.39	28.5		3.00
Australia (z)		$7.28	-0.04	—
Dollar Savings Tst. (z)		$95.89	+0.05	12.61
Far East (z)		$24.18	+0.37	0.84
International (z)		$35.33	+1.29	0.71
Orient Fund (z)		$18.73	+0.26	—
Pacific (z)		$81.13	+0.37	0.36
World (z)		$19.78	+0.42	1.91
American Inc. Tst (z)	48.0	50.9	+1.2	9.00
Gilt Fund	25.0	25.2xd	+0.2	12.40

‡Prices at July 31.

Fleming Japan Fund S.A.
37, rue Notre-Dame, Luxembourg

Fleming Aug 17		39.14		—

Frankfurt Trust Investment—GmbH
Wiesenau 1, D-6000 Frankfurt

FT-Interzins	41.10	42.33	+0.11	—
Frankfl. Effekt. Fd.	DM52.80	55.58	+0.79	—

Free World Fund Ltd.
Butterfield Bldg., Hamilton, Bermuda.

NAV July 31		$150.06		—

G. T. Management (U.K.) Ltd.
Park Hse., 16 Finsbury Circus. Tel: 01-628 8131. Tlx: 886100.
London Agents for:

Anchor Gilt Edge	£10.15	10.21	+0.11	12.44
Anchor Int. Fd.	$5.89	6.05		2.18
Berry Pac Fd.		$5.08		1.08
Berry Pac Strlg.	£3.6700	3.8376		1.36
GT Applied Science Fd.		$10.04		—
G.T. Asia Fd.		HK16.95		1.95
G.T. Asia Sterling	25.38	26.42		1.97
G.T. Australia Fd.		A$23.33		4.77
G.T. Bond Fund		$10.45		10.53
G.T. Dollar Fd.		$10.64		1.41
G.T. Dr. (Strlg.) Fd.	£13.92	14.50		2.44
G.T. Global Tech Fd.		$10.01		0.70
G.T. Invest. Fd.		$14.18	+0.17	0.17
G.T. Japan Small Co.		$13.90		—
G.T. Technology Fd.	$17.56			—
G.T. Pacific Fd.		$12.24	+0.12	1.14
G.T. Asean Growth Fd.		$8.87		1.69

Gartmore Invest. Ltd. Ldn. Agts.
2, St. Mary Axe, London, EC3. 01-283 3531

Gartmore Fund Managers (C.I.) Ltd. (a) (h)				
41, Broad St., St. Helier, Jersey.				0534-73741
Gilt Fund (Jersey)	88.0	93.0xd		11.60
Gartmore Fund Managers (Far East) Ltd. (a)(h)				
1503 Hutchison Hse., 10 Harcourt Rd. H. Kong				
Australia Tst.	$4.151	4.429	+0.6	1.30
HK & Pac. U. Tst.	HK$5.766	6.157	+0.21	2.60
Japan Fd.	$18.828	20.108		0.60
N. American Tst.	$16.605	17.593		0.60
Intl. Bond Fund	$10.389	10.946		9.60
Gartmore Fund Managers (IOM) (a)				
P.O. Box 32 Douglas, Isle of Man				Tel. 0624 23911
Gartmore Intl. Inc.	19.2	20.8		16.00
Gartmore Intl. Grth.	124.2	132.2		0.60

Assicurazioni GENERALI S.p.A.
P.O. Box 132, St. Peter Port, Guernsey, C.I.

Sterling Managed Fd.	£117.79	123.99		—
Dollar Mngd. Fnd.	$108.73	114.46		—

Granville Management Limited
P.O. Box 73, St. Helier, Jersey. 0534 73933

Granville Inv. Tst.	£6.20	6.54		4.97

Next dealing day Sept 15.

Guinness Mahon Int. Fund (Guernsey)
PO Box 188, St. Peter Port, Guernsey. 0481 23506.

US$ Price	$19.51	20.29		8.92
£ Sterling Equivalent	£11.26	11.67		10.65
S.D.R. Equivalent	17.95	18.61		9.37

Prices at Aug 18. Next dealing Sept 2.

Hambro Pacific Fund Mgmt. Ltd.
2110, Connaught Centre, Hong Kong

Far Eastern Aug 18	HK$19.25	20.80		—
Japan Fund Aug 20	$8.21	8.80		—

Hambros Fd. Mgrs. (C.I.) Ltd.
P.O. Box 86, Guernsey. 0481-26521

Capital Reserve Fd.†	£15.29	15.31xd		0.23
C.I. Fund	232.40	247.50		2.89
Special Sits. Fund	81.3	86.6		3.15
Sterling Income Fund*	112.1	117.3xd		12.79
Dollar Income Fund	$1.042	1.090		13.39
Trans. Nat. Trust	$0.851	0.896		3.57
Intnl. Bond	$102.92	108.30		9.83
Int. Equity	$12.97	13.65		1.94
Int. Svgs. 'A' $US	$1.42	1.49		—
Int. Svgs. 'B'	$1.39	1.46		—
Galleon Ass. Fund 'A'	$1.031	1.032		—
Galleon Ass. Fund 'B'	$1.008	1.009		—

†Excludes initial charge on small orders.

Henderson Admin. & Man. (Guernsey)
7 New St., St. Peter Port, Guernsey 0481 26541/2

American (US cents)	101.7	107.7		—
Nrt. Res. (U.S. cents)	92.2	97.1		—
Gilt Fund	£10.36	10.99	+0.15	11.37

Henderson Baring Group
801, Gloucester Tower, 11, Pedder St., Hong Kong.

Australia*	$7.00	7.59		—
Japan Tech.	$15.32	16.37		—
Japan Fund	$22.82	23.92		—
Malay Sing.	$14.23	15.32		—
Pacific Fd.	$10.368	10.899		—
Bond Fd.	$10.369	10.878		12.00

Weekly dealings.

Hill-Samuel & Co. (Guernsey) Ltd.
8 LeFebvre St., St. Peter Port, Guernsey, C.I.

Guernsey Tst.	218.5	233.7	+2.9	3.35

Hill Samuel Investment Mgmt. Intnl.
P.O. Box 63, Jersey. 0534 76029

UK Equities (C.I. Fd.)	152.6	163.4	+7.9	3.5
UK Gilt Lly. Fxd. Int.)	99.0	104.0xd		11.75
Ing. Man. (Growth Fd.)	112.1	118.9	+4.2	—
Int. Currency Fund				
D. Mark	40.48	—	+0.01	—
£ Sterling	10.18	—		—
Swiss Franc	35.05	—		—
U.S. $	20.46	—		—
Managed Fund	9.73	10.12	+0.01	—
Box 2622, Berne, Switzerland				Telex 33425
H.S. Overseas Fd.	SF22.36	23.25	+0.67	—
Balanced (CSF Fund)	SF19.43	20.66	+0.05	—
Far East (Crossbow)	SF5.70	6.03	-0.05	—
Technology (ITF Fd.)	$10.34	11.22	+0.27	—

HK Fund Managers (Jersey) Ltd.
Queens Hse, Don Rd, St Helier, CI. 0534 71460

HK Gilt Fund Ltd.	103.0	107.0	+2.0	13.00

I.C. Trust Managers Ltd.
10, St. Georges St., Douglas, IoM 0624 25015

Int. Commodities Tst.	97.3	103.5		—

Next dealing day Sept 2.

IGF Management Services Inc.,
c/o Registrars, P.O. Box 1044, Cayman Is., BWI.

Interml. Gold Fund	$79.22	83.18		2.91

N.V. Interbeheer
P.O. Box 526, Delft, Holland

Esmeralda (Offer Pce)	DFL 8.04	—		2.94

International Bond Trust
2, Boulevard Royal, Luxembourg

Cls A NAV Aug 23		$9.57	+0.07	—
Cls B NAV Aug 23		$10.59	+0.08	—

International Pacific Inv. Mgmt. Ltd.
P.O. Box R237, 56, Pitt St., Sydney, Aust.

Javelin Equity Tst.	A$3.21	3.25		8.10

Investment Advisors, Inc.
First International Plaza, Houston Texas.

Finomic Invest. Fd.		£3.06		—

UK Agents James Finlay Tel: 041-204 1321 or Sternberg Thomas Clarke Tel: 01-247 8461.

Invicta Investment Management
1 Charing Cross, St. Helier, Jersey. 0534 73741.

Gilt Growth Fund	£12.55	13.14		3.04
Gilt Income Fund	£9.44	9.89xd		12.13

Jardine Fleming & Co. Ltd.
46th Floor, Connaught Centre, Hong Kong

J. F. Japan Tst.	Y2,336	—	+10	0.70
Do. (Accum.)	Y2,376	—	+10	—
J.F. Japan Small Co.	Y11,652	—	-10	—
J.F. Japan Technology	Y9,185	—	+6	—
J.F. Eastern Tst.	HK$26.66	—	+0.58	2.10
Do. (Accum.)	HK$29.22	—	+0.61	—
J. F. Pac Secs. (Inc.)	$3.90	—	+0.15	1.00
Do. (Accum.)	$4.11	—	+0.09	—
J.F. Intnl. Tst.	$3.82	—	+0.19	0.50
Do. (Accum.)	$3.88	—	+0.18	—
J. F. S.E.A.	$30.83	—	+1.85	1.40
Do. (Accum.)	$31.59	—	+1.90	—
J.F. Phil.	$7.77	—	+0.05	5.30
J.F. Cur. & Bd. Fd. (Inc.)	$11.89	—	+0.51	10.10
Do. (Accum.)	$11.08	—	+0.64	—
Japan & Pacific Cnvl.Tst	$10.35	—	+0.18	5.30
Australia Tst.	$6.03	—	+0.03	—

NAV Aug 23. Next dealing Aug 31.
London Agents: Robt. Fleming & Co. Tel: 01-283 2400

Leopold Joseph & Sons (Guernsey)
Hirzel Ct., St. Peter Port, Guernsey. 0481-26648.

L. J. Sterling Fund	£15.36	15.37	+0.03	—
L J & S Currency Fund				—

Telephone Manager for latest prices.

Kleinwort Benson Group
20, Fenchurch St., EC3. 01-623 8000

Guernsey Inc.	87.7	96.7		5.63
Do. Accum.	125.3	138.0		5.63
K.B. Eurobond Fd.	£11.69	11.90	+0.56	7.99
K.B. Far East (Gnsy.)	£8.90	9.26		2.67
K.B. Gilt Fund	£10.74	10.81xd	+0.56	11.62
K.B. Int. Bd. Fd. Inc.		82.38		11.57
K.B. Int. Bd. Fd. Acc.		116.01		11.57
K.B. Intl. Fund		$13.94	+0.54	2.87
K.B. Japan Fund		34.57		1.01
K.B. Sterl. Asset Fd.	£14.47	14.48	+0.08	—
K.B. U.S. Gwth. Fd.		$19.48	+0.32	2.56
Signet Bermuda		$6.07	-0.2	2.83
Transatlantic Fd.		39.73		2.70

Korea International Trust
Fund Man.: Korea Invest. Trust Co Ltd.
c/o Vickers da Costa Ltd, King William Street, London, EC4. 01-623 2494
NAV Won 6,697.98. IDR value US$9012.35.

The Korea Trust
Daehan Investment Trust Co.Ltd.
1-513, Yoido-dong, Yongdungpo-Ku, Seoul, Korea
NAV Aug 21 (won 10,629) (US$14.33)

Lazard Brothers & Co. (Jersey) Ltd.
P.O. Box 108, St. Helier, Jersey, C.I. 0534 37361

Laz. Bros. Int. Cap.	$8.26	8.79xd		1.00
Laz. Bros. Int. Inc.	$1,038.55	1,075.85xd		13.75
Laz. Bros. Int. Acc.	$1,107.56	1,146.92		13.75
Laz. Bros. Int. Asset	Y25075.26xd			5.00
Laz. Bros. Int. Asset	$101.5603xd			14.00
Laz. Bros. Int. Asset	£50.3416			11.50
Laz. Bros. Far East	$9.96	10.60		1.00
Capital Gwth Brd $	1022.90	1049.78		—

Lloyds Bank (C.I.) U/T Mgrs.
P.O. Box 195, St. Helier, Jersey. 0534 27561

Lloyds Tst. O'seas	74.2	78.9		3.30
	Next dealing date Aug 26.			
Lloyds Trust Gilt	£9.94	9.95xd		12.50

Next dealing date Aug 25.

Lloyds Bank International, Geneva
P.O. Box 438, 1211 Geneve 11 (Switzerland)

Lloyds Int. Growth	SF561.5	592.0		1.50
Lloyds Int. Income	SF276.0	286.5		7.50

Lloyds Bank International, Guernsey
P.O. Box 136, Guernsey. 0481 26761

Alexander Fund		10.39		—

Next asset value Aug. 16.

Louis Dreyfus Commodity Fund
c/o Trustee, P.O. Box 1092, Cayman Islands.
Aug. 20. Valuation $5,301.66.

M & G Group
Three Quays, Tower Hill EC3R 6BQ. 01-626 4588

Atlantic Ex. Aug. 17	$4.79	5.10		—
Aus'lian Ex. Aug. 18	$3.04	3.20		—
Gold Ex Aug 18	$28.48	30.30		8.10
(Accum. Units)	$42.17	44.87		8.10
Island	175.9	186.5	+1.4	4.03
(Accum Units)	285.2	302.3	+2.2	4.03

Management International Ltd.
Bk. of Bermuda Bldg., Bermuda. 809-295-4000

Bda. Intl. Bd. Fd. Cap.	$14.47		+0.45	—
Bda. Intl. Bd. Fd. Inc.	$11.27		+0.35	12.00

Prices on August 20. Next dealing August 27.

Manufacturers Hanover Asset Mgt
PO Box 92, St Peter Port, Guernsey. 0481 23961

Geofund Liq Ass Inc.	$102.64	102.86	+0.60	16.58
Geofund Liq Ass Acc.	$111.61	111.89	+0.66	16.58

Midland Bank Tst. Corp. (Jersey) Ltd.
28-34, Hill St., St. Helier, Jersey. 0534 36281

Mid. Drayton Gilt	105.4	105.9	+2.4	11.33
Mid. Drayton Int. Bond	$1.07	1.08		9.26

Minerals, Oils Res. Shrs. Fd. Inc.
PO Box 194, St. Helier. Jersey. 0534 27441

MORES Aug 19	$9.28	9.48		1.27

Samuel Montagu Ldn. Agents
114, Old Broad St., EC2. 01-588 6464

AEIT Aug 20	47.6	50.1		7.40
Apollo Fd. Aug. 17	SF56.72	63.15		2.24
Jadefest Aug. 16	HK$19.44	21.05		0.35
117 Group July 30	$11.89	12.90		2.01
217 Stlg. Re. Aug. 17	£12.34	12.96		—
117 Jersey Fd Aug 18	£6.96	7.60		—

Murray, Johnstone (Inv. Adviser)
163, Hope St., Glasgow, C2. 041-221 5521

Hope St. Aug 15		$41.37		—
Murray Fd. Aug. 15		$14.50		—
Pacific Fund July 31		$3.86		—

Nat. Westminster Jersey Fd. Mgrs. Ltd.
23/25 Broad St., St. Helier, Jersey. 0534 70041

High Income Fund	54.4	56.0	+1.0	10.71
Equity Fund	65.6	69.0	+1.0	2.58
International Bond*	53.3	57.0		9.47

*Sub. day every Thurs.

Negit S.A.
10a Boulevard Royal, Luxembourg

VAV Aug 9		$9.46	+0.23	—

N.E.L. International Ltd.
P.O. Box 119, St. Peter Port, Guernsey, C.I.

Sterling Deposit	62.9	66.2		—
Sterling Fixed Interest	65.7	69.2		—
Sterling Managed	60.6	65.9		—
Intl. Fixed Interest	72.2	78.5		—
Intnl. Managed	61.6	68.0		—

Northgate Unit Tst. Mngrs. (Jersey)
P.O. Box 82, St. Helier, Jersey. 0534-73741.

Pacific Fd Aug 11	88.74	9.29		—

Pacific Basin Fund
10a Boulevard Royal, Luxembourg.

NAV		$13.27	+0.08	—

Inv. Adv.: M. & G. Inv. Mngt., Ltd., London.

Phoenix International
PO Box 77, St. Peter Port, Guern. 0481 26741

Inter-Dollar Fund	3.07	3.31		—
Far East Fund	2.32	2.50		—
Intl. Currency Fund	$1.61	1.74		—
Dollar Fxd. Int. Fund	$2.89	3.12		—
Ster. Exempt Gilt Fd.	1.91	2.07		—

Providence Capitol International Ltd.
PO Box 121, St Peter Port, Guernsey 0481 26726/9

UK Stockmarket	£0.929	0.999		—
Intl. Stockmarket	$0.772	0.830		—
World Technology	$0.836	0.898		—
N. Am. Stockmarket	$0.799	0.859		—
Far East	$0.757	0.814		—
UK Fixed Interest	£1.029	1.107		—
Intl. Fixed Int.	$0.995	1.006		—
Intl. Currency	$0.921	0.990		—
Intl. Money Market	$0.964	1.036		—
U.K. Money Market	£0.951	1.023		—
Stlg. Mangd. Fd.	£0.948	1.019		—
Dollar Mangd. Fd.	$0.816	0.877		—

Savings Target Rate $12.0/£11.
Prices on Aug 18. Next dealing Aug 25.

Quest Fund Man. (Jersey) Ltd.
P.O. Box 194, St. Helier, Jersey. 0534 27441.

Quest Stlg. Fxd. Int.	£0.788	0.834xd		10.79
Quest Intl. Secs.	$0.768	0.826		1.45
Quest Intl. Bd.	$0.791	0.838xd		11.19

Prices on Aug 18. Next dealing Aug 25.

Quilter/Heinold Commodities
31-45, Gresham Street, EC2V 7LH. 01-600 4177

Resc. Fd. Int. Aug 2	$1,492.82	+$30		2.00

Next dealing date Sept 1.

RBC Investment Managers Limited
PO Box 246, St. Peter Port, Guernsey. 0481-23021.

Ind. Income Fd.	$9.12	9.74		—
Ind. Capital Fd.	$9.76	0.55xd		—
North America Fd.	$3.95	4.35xd		—

Raminco Managers Ltd.
P.O. Bx. 1549, Hmltn, Bermuda. (809-29) 2-7979

Raminco Aug. 2	$8.66	8.93		—

Richmond Life Ass. Ltd.
4 Hill Street, Douglas, I.O.M. 0624 23914

Com Trust	32.7	35.1		—
Diamond Bond	68.4	73.3		—
Gold Bond	231.0	243.1	+8.8	—
Managed Fund	120.8	127.1		—
Petrocan Oil Trust	101.2	108.5		13.32
Do. $	1.737	1.845		13.82
Sapphire Trust	142.6	152.9		—
Silver Trust	170.7	179.7		—
Sterling Deposit Bd.	151.89	159.92		10.03
UK Gilt Fund	149.3	157.0		—

Rothschild Asset Management (C.I.)
P.O. Box 58, St. Julians Ct., Guernsey. 0481-26741

O.C. America Fd.*	$2.00	2.12		0.94
O.C. Sm. Co.***	136.4	145.1		2.01
O.C. Commodity†	75.2	80.0		3.71
O.C. Dir. Comdy.*	$28.79	30.51		3.15
O.C. Hong Kg. Fd.††	HK$30.05	31.96		—
O.C. International Reserves Limited				
Bel.Francs (Fr.)	777.24	Italian Lira		30,943
Canadian $	20.13.6	Singapore $		59.600
D-Mark	48.285	Sterling		13.065
Dutch Guilder	48.15	Swiss Francs		44.631
French Francs	136.45	U.S. $		26.88

*Prices on Aug 9. Next dealing Aug 23.
†Prices on Aug. 13. Next dealing Aug. 31.
**Daily dealings. ***Aug. 13. Next dealing Aug. 31.
††Dealings every Wednesday.

Save & Prosper International
Dealing to
P.O. Box 73, St. Helier, Jersey 0534 73933

Fixed Interest Funds				
Deutschmark Bd.***‡	9.59	10.15		5.42
Dllr. Fxd. Int.**‡	$7.73	8.20		10.73
St. Fixed***‡	116.0	122.7		12.12
Yen Bond***‡	1.177	1.241		4.03
Equity Funds				
UK Growth Fund***	102.5	110.9		2.02
Internatl. Gr.**‡	$8.35	9.04		—
Far Eastern**‡	$14.24	15.40	+0.52	—
North American**‡	$5.48	5.93	+0.36	—
Sepro**‡	$14.61	15.80		—
Commodity Funds				
Commodity***	98.0	103.3		—
Gold Fund***	$9.25	10.01		7.99
Multicurrency Reserve Funds				
U.S. $	1.00	—		12.29
D Marks	10.00	—		7.44
£ Sterling	1.00	—		11.21
Yen	1,000	—		5.42
Deposit Fund				
St. Deposit***‡	160.6	160.8		0.16

*Aug. 23 **Aug. 18. ***Aug. 6.
****July 30 (weekly dealings). Daily dealings.

Schroder Mngt. Services (Jersey) Ltd.
P.O. Box 195, St. Helier, Jersey. 0534 27561

Sterling Money Fd.	£12.7447	12.7449		—

Next subscription day August 25.

J. Henry Schroder Wagg & Co. Ltd.
120, Cheapside, EC2. 01-588 4000.

Am. In. Tst. Aug. 8	$17.12	—		2.34
Asian Fd Aug 16	$19.65	20.48		3.66
Cheapside Aug 17	$11.64	—		3.44
Darling Fd Aug. 23	A$2.67	—	-0.01	6.30
Japan Fd. Aug. 19	$8.46	9.08		0.77
Trafalgar Fd. July 31		$189.76		—

Schroder Unit Trust Mgrs. Int. Ltd.
Box 273 St. Peter Port, Guernsey. 0481 28750

Mngd. Curncy	509.9	535.4		7.43
£ Fixed Interest	595.9	625.7		7.69
£ Equity	106.2	112.6		3.49
$ Fixed Interest	101.1	107.1		9.29
$ Equity	68.6	72.7		1.27
Schroder Life Assurance Int. Ltd.				
Mngd. Curncy Life Fd.	503.4	535.6		7.43
£ Fxd Int Life Fd.	607.6	646.4		7.69
£ Equity Life Fd.	106.7	113.6		3.46
$ Fixed Int Life Fd.	107.9	114.8		9.29
$ Equity Life Fd.	68.4	72.8		1.27

Prices on August 18. Next dealing August 25.

Scrimgeour Kemp-Gee Mngmt., Jersey
1, Charing Cross St. Helier, Jersey. 0534 73741.

SKG Capital Fund	179.4	184.9		—
SKG Income Fund	50.4	52.0		9.45
Gilt Bond	139.9	147.3		—

Sentry Assurance International Ltd.
P.O. Box 1776, Hamilton 5, Bermuda.

Managed Fund	$4.0049	4.4054		—

Signal Life Assurance Co. Ltd.
Ocean Heights, Queensway, Gibraltar. Telex 2332.

Growth Strategies Fd.	£3.7	3.07		—

Singer & Friedlander Ldn. Agents.
20, Cannon St., EC4. 01-248 9646

Dekalonds	DM21.14	22.25		6.84
Tokyo Tst. Aug. 2		$38.60		2.85

Strategic Metal Trust Mngrs. Ltd.
5 Hill Street, Douglas, IOM 0624 23914

Strategic Metal Tr.	$923.0	956.0		—

Stronghold Management Limited
P.O. Box 315, St. Helier, Jersey. 0534-71460

Commodity Trust	129.4	136.2	-1.1	—

Surinvest (Jersey) Ltd.
4, Hill St., Douglas, Isle of Man 0624 23914

Copper Trust	£12.32	12.97	+0.06	—

TSB Trust Funds (C.I.)
10 Wharf St., St. Helier, Jersey (CI). 0534 73494

TSB Gilt Fund Ltd.	98.0	101.0		12.48
TSB Gilt Fd. (Jsy.) Ltd.	98.0	101.0		12.48
TSB Jersey Fund	55.4	58.4xd		5.24
TSB Guernsey Fund	55.4	58.4xd		5.24

Prices on August 18. Next sub. day August 25.

Tokyo Pacific Holdings N.V.
Intimis Management Co. N.V., Curacao.
NAV per share August 16. $67.25.

Tokyo Pacific Hldgs. (Seaboard) N.V.
Intimis Management Co. N.V., Curacao.
NAV per share Aug 16 $49.07.

Tyndall Group
2 New St., St. Helier, Jersey. 0534 37331/3

TOFSL Aug 19	£10.95	11.70		2.05
(Accum. shares)	£19.40	20.75		—
American Aug 19	149.0	158.2		2.53
(Accum. shares)	168.2	178.6		—
Far Eastern Aug 19	121.4	130.2		1.15
(Accum. shares)	130.0	139.4		—
Jersey Fd. Aug 18	125.6	134.4		8.37
(Non-J. Acc. Uts.)	256.0	274.0		—
Gilt Fd. Aug 18	112.0	114.0		10.40
(Accum. Shares)	239.6	244.0		—
Victory House, Douglas, Isle of Man.				0624 24111
High Inc. Gilt Aug 18	112.4	114.6		13.48
(Accum. Shares)	158.2	161.4		—
International Equity	231.4	243.6		—
Do. $	3.995	4.210		—
Pacific Equity	59.4	62.6		—
Do. $	1.025	1.080		—
North Amer. Equity	54.3	57.2		—
Do. $	0.935	0.985		—
UK Equity	198.8	209.4		—
Do. $	3.435	3.620		—
Internatl. Fixed Int.	282.8	297.8		—
Do. $	4.885	5.145		—
Sterling Fixed Int.	216.8	228.4		—
Do. $	3.745	3.945		—
Dollar Deposit	83.6	88.[illegible]		—
Do. $	1.450	[illegible]		—
Sterling Deposit	129.8	[illegible]		—
Do. $	2.245	[illegible]		—
Commodity	293.8	[illegible]		—
Do. $	5.075	[illegible]		—
Gold	63.0	[illegible]		—
Do. $	1.090	[illegible]		—
UK Property	196.4	[illegible]		—
Do. $	3.395	[illegible]		—
Internatl. Managed	223.2	[illegible]		—
Do. $	3.855	[illegible]		—
UK Managed	200.0	[illegible]		—
Do. $	3.455	[illegible]		—

M. G. Tyrrell & Co. (Jersey) Ltd.
P.O. Box 426, St. Helier, Jersey, C.I.

Ortac		$10.00		—

Unico Invest. Fd. Mngt. Co., S.A. Lux.
London & Continental Bankers Ltd.
2, Throgmorton Ave., London. 01-638 6111

Unico Invest. Fund	DM63.87	65.80	+0.10	—

Union-Investment-Gesellschaft mbH
Postfach 16767, D 6000 Frankfurt 16.

Unifonds	DM15.19	16.00	+0.20	—
Unirak	DM49.04	51.50	+0.05	—
Urirenta	DM38.12	39.30	+0.10	—

V.C.A. Financial Management Ltd.
42, Essex Street, London, WC2. 01-353 6845

PanAmer. O's Fd.	$4.48	—		—

Vanbrugh Fund Mngmt. Intl. Ltd.
28-34 Hill St. St Helier, Jersey. 0534 36281

Vanbrugh Currency Fd.	113.5	113.6	+0.3	7.92

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2. 01-600 4555

Energy Intl Aug 20		$26.18	+0.74	—
Merc. Eurobd Aug 18	$13.72	15.85		5.80
Merc Mny Aug 23	£16.41	16.43	+0.10	—
Select Rlt. Aug 17	$10.25	10.62		—

Warburg Invest. Mngt. Jrsy. Ltd.
7 Library Place, St. Helier, Jsy. CI 0534 37217

Merc. Comm Aug 17	£13.32	13.67xd		3.51
Merc. FrTst. Aug 18	£11.30	11.60xd		2.76
Metals Tst. Aug. 19	£10.79	11.05		—
SMT Ltd Aug 19	£10.92	11.20		3.21
Merc Tran Aug 27	£13.47	13.62	+0.39	3.04

Wardley Investment Services Ltd.,
4th Floor, Hutchison House, Hong Kong

Wardley Trust	HK$23.46	24.60		5.69
Wardley Nikko As. Fd.	$29.78	30.91		3.69
Wardley Bond Trust	$9.62	9.80		9.29
Wardley Japan Trust	$13.57	14.06		1.28

World Wide Growth Management
10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd		$9.86	+0.16	—

Inv. Adv.: M. & G. Inv. Mngt., Ltd., London.

Wren Commodity Management Ltd.
10, St. George's St., Douglas IoM 0624 25015

Wren Com. Fund	32.7	34.0		6.60
Chinese Fund	64.7	67.4		9.30
Precious Metal Fund	137.5	143.2		8.30
Vanguard Cmdy. Fd.	40.2	41.8		2.26
Financial Futures Fd.	100.9	105.1		—
Wren Intl. Fnd.*	$0.778	0.810		—

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. § Guernsey gross. # Suspended. ◆ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies.

FT SHARE INFORMATION SERVICE

LOANS—Continued

Financial

[illegible]

Building Societies

[illegible]

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

[illegible]

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

Index-Linked & Variable Rate

[illegible]

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH AND AFRICAN LOANS

High	Low	Stock	Price	+ or -	Int.	Red.
95¾	85¼	Aust. 6pc 1981-83	95¼	-⅛	6.39	11.11
72	57	N.Z. 7¼pc 1988-92	72xd	.....	10.17	12.37
91½	74¼	Do. 7½pc '83-86	91xd	-½	8.36	10.80
162	136	S. Rhod. 2½pc Non-Ass.	162	+2	—	—
77	58	Do. 3½pc 80-85 Asstd.	76xd	-1	4.61	13.20
50	32	Do. 4½pc 87-92 Asstd.	50	.....	9.00	14.00
398	310	Zimbabwe Ann (£100pa)	398	+3	—	18.34

LOANS

Public Board and Ind.

High	Low	Stock	Price	+ or -	Int.	Red.
72	57¾	Agric. Mt. 5pc '59-89	72	.....	6.98	11.00
33½	24¼	Met. Wtr. 3pc 'B'	33½xd	.....	8.84	11.39

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

BANKS AND HIRE PURCHASE

High	Low	Stock	Price	+ or -	Div. Net	C'vr	Y'ld Gr's	P/E
282	182	ANZ $A1	185	+5	Q28c	3.3	8.6	3.5
270	205	Alexanders D. £1	265	-3	18.5	—	10.0	—
£65½	£55	Algemene Fl.100	£55xd	.....	vQ26%	1.8	9.8	5.6
100	75	Allied Irish	95	-1	Q45.3%	4.0	9.0	3.3
*16½	10¼	Ansbacher (H.) 5p.	12	.....	0.35	—	4.2	—
270	200	Bk. Ireland £1	270	+10	†Q21.4%	—	0.9	—
3½	2	Bk. Leumi S0.1	2	.....	†Q8%	—	0.9	—

BANKS & H.P.—Cont.

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

CHEMICALS, PLASTICS—Cont.

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ELECTRICALS—Continued.

[illegible]

ENGINEERING MACHINE TOOLS

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

هكذا من الأصل

INDUSTRIALS—Continued

LEISURE—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

INSURANCES

LEISURE

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

OIL AND GAS

OIL AND GAS—Continued

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

MINES—Continued

Central African

1982 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
120	75	Falcon Rh.50c	100	.....	Q25c	10.3	12.[illegible]
35	19	Wankie Col. Z$1	23	.....	Q3c	1.2	7.[illegible]
21	12	Zam.Cpr.SBD0.24	14	–1	—	—	—

Australian

1982 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
23	10	AGM 20c	15½	+½	—	—	—
7	1¼	Argosy Gold NL 25c	2½	.....	—	—	—
151	54	Bond Corp.	54	.....	gQ10c	2.3	11.4
82	58	Bougainville I Kina.	79	.....	†Q6.71c	1.2	‡
192	147	CRA 50c	190	+4	Q5c	—	1.[illegible]
16	10	Carr Boyd 20c	16	+1	—	—	—

Tins

Miscellaneous

1982 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
105	55	Highwood Res.	75	...	—	—	—
255	160	Northgate C$1	180	+10	—	—	—
468	344	R.T.Z.	440	.....	16.0	2.1	5.2
£100½	£84	Do 9½%Cv.Un.Ln.'95-2000	£102½	+1	Q9½%	30.0	9.5
20	11	Sabina Inds. C$1	11	.....	—	—	—
44	27	♦Southwest C. 10p	36	.....	—	—	—
500	270	Tara Exptn. $1	310	+10	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♦ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- ‡‡ Dealt in under Rule 163(3).
- ♯ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ‖ No par value.
- ♦ Rate applicable to non-Zimbabwean residents.
- ♦♦ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1982. K Figures based on prospectus or other official estimates for 1981-82. K Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1982-83. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date. Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xC ex capital distribution.

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency.

			IRISH		
Albany Inv. 20p	41	+1	Conv. 9% '80/82	£99½	.....
Bertrams	27♯	.....	Nat. 9¾% 84/89	£74⅝	+¼
Bdg'wtr. Est. 50p	455	+10	Fin. 13% 97/02	£84¼	+⅛
Craig & Rose £1	£121½	.....	Alliance Gas	92	.....
Finlay Pkg. 5p	30	.....	Arnott	220	.....
Graig Ship. £1	£20	.....	Carroll (P.J.)	75	.....
Higsons Brew	98	.....	Concrete Prods.	60	.....
Holt (Jos) 25p	800	.....	Helton (Hldgs.)	16	.....
I.O.M. Stm. £1	82	.....	Ins. Corpn. Ireland	415	.....
Pearce (C. H.)	£11½	.....	Irish Ropes	33	.....
Peel Hldgs.	151	.....	Jacob	70	.....
Sheff. Refrshmt	90	.....	T.M.G.	♦	.....
Sindall (Wm.)	245	+7	Unidare	50	.....

OPTIONS

3-month Call Rates

Industrials					
		House of Fraser	13	Utd. Drapery	7
Allied-Lyons	8	I.C.I.	24	Vickers	16
BOC Intl.	15	"Imps"	8	Woolworths	5
B.S.R.	8½	I.C.L.	5½		
Babcock	16	Ladbroke	15	**Property**	
Barclays Bank	42	Legal & Gen.	19	Brit. Land	7[illegible]
Beecham	21	Lex Service	10	Cap. Counties	1[illegible]
Blue Circle	48	Lloyds Bank	42	Land Secs.	2[illegible]
Boots	19	"Lofs"	6½	MEPC	2[illegible]
Bowaters	24	London Brick	7	Peachey	1[illegible]
Brit. Aerospace	17	Lucas Inds.	20	Samuel Props.	11
B.A.T.	38	"Mams"	12	Town & City	3[illegible]
Brown (J.)	7	Mrks. & Spncr	12		
Burton Ord.	15	Midland Bank	30	**Oils**	
Cadburys	9	N.E.I.	9	Brit. Petroleum	2[illegible]
Courtaulds	8	Nat. West. Bank	38	Burmah Oil	1[illegible]
Debenhams	7	P & O Dfd.	14	Charterhall	6
Distillers	15	Plessey	32	KCA	[illegible]
Dunlop	6½	Racal Elect.	35	Premier	6
Eagle Star	21	R.H.M.	6½	Shell	30
F.N.F.C.	4	Rank Org. Ord.	20	Tricentrol	22
Gen. Accident	28	Reed Intnl.	26	Ultramar	3[illegible]
Gen. Electric	65	Sears	6		
Glaxo	42	T.I.	13	**Mines**	
Grand Met.	17	Tesco	5½		
G.U.S. 'A'	45	Thorn EMI	42	Charter Cons.	25
Guardian	25	Trust Houses	11	Cons. Gold	45
G.K.N.	15	Turner & Newall	11	Lonrho	7
Hawker Sidd	30	Unilever	55	Rio T. Zinc	42

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 21

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £600 per annum for each security

FINANCIAL TIMES
Tuesday August 24 1982

GM chief warns Japanese on exports

By Kenneth Gooding, Motor Industry Correspondent, in Detroit

A WARNING to the Japanese motor industry that it should quickly offer to continue its voluntary restraint on car shipments to the U.S. has been issued by Mr James McDonald, president of General Motors, the world's largest car maker.

He pointed out that there was growing pressure on the U.S. Government to introduce laws to restrict sales of cars with less than a minimum of local components.

"If I were the Japanese I would jump in quickly with some voluntary restraints to head that off" he declared at the Automotive News world congress in Detroit.

"The current restraints have not affected the Japanese one iota so far because the market has been so absolutely depressed and the U.S. industry is still turning round our marketplace and our products," said Mr McDonald. He suggested the U.S. industry's investment would total 370bn (£40bn) between 1980 and 1984.

The Japanese industry volunteered to hold car shipments to the U.S. this financial year to 1.68m, the same as in the previous 12 months, but the restraints are due to end next spring.

There has been considerable support for a United Auto Workers (UAW) idea that legislation should ensure that any manufacturer selling more than 100,000 cars a year in the U.S. should have a minimum local content in its vehicles of 25 per cent within three years, rising to 90 per cent for companies like Toyota and Nissan with sales of more than 500,000 a year.

President Reagan is known to be opposed to such legislation but the union claims to have the support of 217 Representatives, more than half the House of Representatives.

Mr McDonald said GM had long advocated that "those who sell in this market ought to have some investment here." It was open to question whether local content laws were the right way to achieve that.

GM itself could run into difficulties if such legislation were enacted—which most Detroit observers still feel is unlikely. GM plans to bring in small cars to the U.S. from its Japanese associates, Isuzu (35 per cent owned) and Suzuki, in which it has a 5 per cent stake, to fill out the bottom end of its car range in the mid 1980s.

"Although some people question these moves, competitive economics at the lower end of the product offering make them mandatory at this time," Mr McDonald said.

"I doubt if any American car producer actually prefers to take this route and I am hopeful that our current research and development work will prove that in future we can competitively build small cars in this country."

GM is also having talks with Toyota about the possible joint production of cars at GM's Fremont, California, facility which has been closed down. Mr McDonald said that key factors such as the costs involved would not be determined until September.

Toyota Motor results, Page 19

Lebanese elect Christian militia leader as president

BY STEWART DALBY AND NORA BOUSTANY IN BEIRUT

MR BACHIR GEMAYEL, the 34-year-old commander of the right-wing Christian Phalangist militias, was yesterday elected president of Lebanon, amid violence and despite opposition from Moslem and left-wing forces.

The house of Mr Osmana Dana, who is one of the leading Moslems in the 99-member parliament, and who voted for Mr Gemayel, was hit by two rocket-propelled grenades yesterday evening. The home of Mr Kamel al-Assad, speaker of the Lebanese parliament, was burned down.

Mr al-Assad is a Shi'ite Moslem. Constitutional tradition requires that the president be a Christian, the prime minister a Sunni Moslem and the speaker a Shi'ite Moslem.

Mr Gemayel is controversial because of his association with the Israelis. The six-year term of his predecessor, Mr Elias Sarkis, will run out on September 23. Until the last moment, there were great doubts as to whether Mr Gemayel would be able to raise the parliamentary quorum necessary for an election because of a boycott by Moslem and left-wing members.

The first ballot failed last week when fewer than two-thirds of the 92 surviving MPs attended and so there was no quorum. But only a simple majority was required yesterday in the second ballot. Mr Gemayel, the only candidate, received 57 votes. There were five abstentions.

The election took place in colourful and dramatic circumstances. The routes from West Beirut to the Feyadiyeh Military Academy in East Beirut, where the election took place, were blocked for most of the day. Security was tight. Cars carrying MPs screeched to the barracks and disgorged handfuls of heavily-armed guards. A sustained burst of gunfire broke out as Mr Gemayel was pronounced elected.

The doubts about him were not so much about his youth but that he would never be able to gain the trust of the Moslem leaders and people of West Beirut, because of his reputation as a Christian warlord and the well-known links of the Phalangists with Israel.

Mr Gemayel was evidently helped by the fact that many of the Moslem leaders, who would normally be in West Beirut, have fled to the east during the recent weeks of fighting. Lobbying by Mr Gemayel and his Phalangist party has been intense. He made many statement conciliatory to Moslems. "The period of war has ended, the era of peace has begun," he said after the election.

Meanwhile, the evacuation of another 1,000 Palestine Liberation Organisation (PLO) fighters, this time to South Yemen by sea, appeared to be going ahead last night despite an earlier hitch.

A car bomb went off as lorries carried the guerrillas to the port and caused a delay of some hours. A further batch of between 500 and 1,000 PLO fighters is to leave today.

Profile, Page 4; Feature, Page 12

Dresser forced to send gasline equipment

By David White in Paris, and Paul Taylor in New York

DRESSER-FRANCE, the U.S.-controlled company caught between conflicting French and U.S. instructions over the Siberian gas pipeline contract, has received a formal demand from the French authorities to go ahead with its share of the deal.

The move heightens the prospect of bitter transatlantic legal battles over supplies of essential materials for the pipeline which the Reagan Administration wants to stop.

Mr Edward Luter, Dresser's senior vice-president, said in the company's Dallas headquarters that the French subsidiary had received the demand "several days ago."

He added that in line with the U.S. government's requests, Mr James Brown, Dresser's President had written to the French subsidiary as early as June 21, "telling them not to proceed with filling the orders."

He said, however, that the company was under one set of orders from the U.S. Government and another conflicting set of instructions from France.

The French authorities have said that the first delivery from Dresser-France, part of an order for 21 compressors from the company, was due "within the next few days."

The Le Havre-based subsidiary, which has stopped work on the Soviet-bound equipment, is reported to have been awaiting a strong stance by the French authorities to prevent it from being held responsible for going against orders from the U.S.

The powers invoked by France stem from a decree introduced in 1959 during the Algerian war. It enables the authorities to requisition the services of companies or individuals "for the needs of the country."

Compensation is provided for to offset any "material loss" caused by such an order.

French officials made it clear yesterday that the obligation applied both to the supply of equipment already made and to the manufacture of further units provided for in the Soviet contract.

They indicated that companies could be fined if they disobeyed the Government's instructions, and that the measure had been taken to reinforce the legal position of French companies in case of possible litigation in foreign courts.

France's Communist-led CGT union yesterday expressed its full support for the Government's move.

A Soviet merchant vessel is due to arrive at Le Havre today to take delivery of three compressors, according to the union.

Creusot-Loire, the main French company under contract for compressor stations on the pipeline, is also believed to have been notified of possible French Government measures, but refused to comment on its position yesterday.

THE LEX COLUMN

Capacity crunch in chemicals

Only a few months ago, the stock market was confidently expecting ICI to notch up 1982 profits well in excess of last year's £335m pre-tax and to make some gesture towards restoration of its 1979 dividend. A dismal second quarter statement firmly knocked those hopes on the head and the news now filtering through from the West German majors will do nothing to revive them.

Hoechst yesterday reported that pre-tax profits for the six months to June had fallen 20.5 per cent to DM 558m, numbers which look respectable only by comparison with BASF, where profits were down 35 per cent to DM 545m. Bayer, which reports later this week, is likely to show a more modest drop of around 10 per cent.

Like ICI, the German majors are reciting the familiar litany of problems in bulk plastics and petrochemicals. The European plastics industry was probably losing about £200m a month at the beginning of the year. Now the figure must be more like £300m and none of the European companies can yet point to an improvement.

Attempts to increase product prices have gone awry and, with the exception of polystyrene, bulk plastics are typically selling for 10 per cent less in DM terms than at the beginning of the year. Price weakness in petrochemicals has been even more severe. The contract price of ethylene has fallen from $750 to $560 per tonne since January.

Demand throughout Western Europe is stagnant and price pressure has been intensified by the French chemicals industry, which is now exporting on the back of a devalued franc. Chemical imports into the UK rose by 17 per cent in volume terms during the second quarter, far outstripping the 3 per cent increase in export volumes.

The second half of last year was exceptionally weak for the West German majors, so comparisons will look a little less dismal in the current six months. And, after a period of sustained weakness, their shares are receiving strong support from a prospective yield which, in the case of Hoechst and Bayer, is about 14 percentage points above the return on long term DM bonds—for domestic investors at least.

But the urgency of further capacity reductions in petrochemicals and plastics is unlikely to diminish over the next year. The danger is that Hoechst may subsidise the losses through its highly profitable drugs business while BASF, which has already cut back in low-density polyethylene, will shrink from more radical surgery for fear of disrupting its vertically integrated production process. For the moment at least, Bayer with its lesser dependence on heavy chemicals, looks the least vulnerable.

Index fell 4.1 to 576.5

Gold

Gold rate sentiment has been a tonic for a nervous gold bullion market. In the last four trading days the price has leapt by $56 an ounce, or by 16¼ per cent. So, whereas two months ago preoccupations centred on the testing of lows in the $300 region, yesterday the metal closed at $394½ in London, up a further $10¼, and the chartists were busy drawing railway junctions around the figure of $400.

The price has taken off against the background of a healthy balance in the underlying market. Last year demand by jewellery fabricators alone is thought to have jumped nearly five-fold to perhaps two-thirds of South African production. Without the normal summer holiday lull in demand from this area, the trend is likely to have intensified this year. Until recently the shortfall has been made good by dishoarding. But with bond markets catching fire on the belief that interest rates are heading downward, this has probably dried up. Meanwhile, as gold becomes cheaper to hold and the dollar starts to slip, there have been some modest signs of renewed speculative interest from the U.S. and Europe.

So gold now seems to have a floor under it, unless of course the interest rate trend reverses or a large forced seller emerges. However, on the evidence of past cycles, any sustained bull market may take some years to develop. The margin between inflation and interest rates may have narrowed, but inflation is still heading downward, and any prospect of the green light of negative real interest rates seems far distant.

Such scruples seem to have had little airing in the gold mines market, which has been aggressively leading bullion higher in the last two months. Gold mining shares are now about 60 per cent above their June low, and on the basis of a $400 bullion price offer a yield of about 10 per cent on average. This seems to assume in the near term either a very substantial further fall in prime rates or a run up in the gold price to $500.

Markets

Equity fund managers returning from holiday yesterday appear to have taken some time getting their bearings. On balance it was a day for digestion and modest profit taking. For the bond funds, however, it seemed to be very much a continuation of last week's story, if at a less frenetic pace. Although nothing very much happened to short term money rates, the expectations of further cuts remained in evidence, and the firmness of sterling on the foreign exchanges provided an encouraging background. But there may need to be more tangible developments in the money markets later in the week if gilt-edged are not to run into profit taking too.

De Lorean role hinders deal

BY JOHN GRIFFITHS

THE GAP between the Government and an unnamed UK consortium over the terms for taking over Belfast's De Lorean car plant is "insignificant," officials close to the consortium said yesterday.

The major stumbling block to concluding a deal is the future role of chairman John De Lorean and his U.S. sales company, the consortium says.

A statement from the consortium yesterday said that two days of talks between De Lorean and consortium representatives "have failed to identify any area of agreement, or to overcome the basic concern of the consortium as they relate to their proposals and Mr De Lorean's stated plans."

It would not give details. But it seems that Mr De Lorean and his company are not prepared to accept being simply purchaser and seller of Belfast output, which would recognise that De Lorean had failed as a manufacturing enterprise.

The consortium believes Mr De Lorean will be unable to complete his own rescue attempt and has thus stepped back from further negotiations until September 1.

The Government has rejected the consortium's initial proposals for a transfer of the Belfast company's assets. These called for a transfer of title, with the Government retaining its lien, and a commitment by the consortium to repay Government loans.

The consortium maintains that detailed proposals submitted to the receivers—an outline of which has been given to the Government—"are realistic and viable." A large London merchant bank is closely involved in the negotiations and consortium officials say that if a deal is agreed, "it can be expected that the necessary funds (£15m) will be provided."

The Government has also rejected the consortium's request to underwrite about £100,000 in capital-raising fees, raising speculation about the consortium's resources.

The consortium said yesterday it was only asking the Government to share the costs, and it would be reimbursed in full.

It is concerned that while agreement may be reached with the Northern Ireland Department, it might run into stiffer opposition at the Treasury. Junior Treasury Minister Mr Jock Bruce-Gardyne has been one of the most implacable opponents of the De Lorean venture.

Lear Fan project remains in Ulster, Page 6

Rescue hopes for 4,000 jobs

BY TIM DICKSON

HOPES of saving several well-known British companies currently in receivership rest on discussions taking place this week. More than 4,000 jobs in the furniture, toy, engineering, and cutlery industries are at stake.

Negotiations are expected to be completed today with a buyer for F. Austin (Leyton), the East London furniture maker whose troubles dragged it down at the end of last month.

A major hurdle for the joint Receivers, Mr Richard Agutter and Mr Guy Parsons, of Peat Marwick and Mitchell, has been the decision by Waltham Forest Council to send in bailiffs to secure £450,000 in unpaid rates.

Mr Parsons said last night he hoped agreement would be reached with one of the interested parties in the next day or so. The buyer is understood to be in the furniture business and to be prepared to pay part of the rates bill if Waltham Forest lifts its distraint order. It is, however, unlikely that all the 440 employees would be re-hired.

Many more jobs were under threat at Lesney Products, north London, the publicly quoted toys group where Mr Parsons and Mr Agutter were also called in as joint receivers on June 11.

About 100 people are employed in Lesney's relatively small industrial operation, which may well have been sold by the end of this week.

More than 2,600 jobs, however, depend on the toy side which has attracted considerable home and overseas interest.

A deadline for offers has been set for the end of this week. One possibility understood to have been discussed is a management buyout of some or all of the toy business.

The deadline, on the other hand, for anyone wishing to buy all or part of the Garron Company, the Falkirk maker of baths, sinks and pillar boxes, is Monday next—a Bank Holiday in England admittedly, but not in Scotland.

Garron, which employs 800 people at its Falkirk and Glasgow factories, called in the receivers earlier this month in the face of mounting losses.

More than 200 inquiries were received in the 10 days following the announcement.

Bidders will have to decide whether they want the whole company or one of the seven identifiable businesses which have been advertised separately by the receivers, Mr Hamish Armour and Mr Frank Mycroft, of accountants Deloitte Haskins and Sells. These range from a foundry with finishing shop in Falkirk—1981 turnover £4m—to a Halifax-based plastics, baths and accessories factory.

Many eyes in Sheffield, meanwhile, will be closely watching the fate of Viners, the locally-based cutlery manufacturer which employs 250.

Receiver Mr Geoffrey Martin of accountants Bernard Phillips is to consider several offers this week. Mr Martin refused to name any of the interested parties but confirmed that some are already in the trade.

Weather

UK TODAY

COOL, windy with rain.

E and SE England
Bright start, cloud and rain later. Max 20C (68F).

Rest of UK
Hill and coastal fog clearing as brighter showery weather spreads. Max 19C (66F).

Outlook: Cool, blustery showers.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	25	77	L. Ang.†	F	18	66
Algiers	S	30	86	Luxmbg.	F	18	66
Amsdm.	F	19	66	Luxor	S	39	102
Athens	S	30	86	Madrid	F	29	84
Bahrain	S	37	99	Majorca	S	30	86
Barclna.	F	28	81	Malaga	S	27	81
Beirut		—	—	Malta	F	23	81
Belfast	R	15	59	M'chstr	C	15	59
Belgrd.	F	23	73	Melbne		—	—
Berlin	S	23	73	Mx. C.		—	—
Biarritz	C	21	70	Miami†	F	26	79
Bmghm.	C	16	61	Milan	S	24	75
Blackpl.	C	15	59	Montrl.†	R	14	57
Bordx.	F	25	77	Moscow	C	18	64
Boulgn.	S	17	63	Munich	S	21	70
Bristol	C	17	63	Nairobi		—	—
Brussels	R	17	63	Naples	S	27	81
Budpst.	S	22	72	Nassau		—	—
Cairo		—	—	Nwcsl.	C	17	63
Cardiff	C	17	63	N York†	C	19	66
Cas'b'ca	F	23	73	Nice	S	25	77
Cape T.	S	17	63	Nicosia	S	29	84
Chicg.		—	—	Oporto	S	18	64
Cologne	C	18	64	Oslo	C	14	57
Cpnhgn.	C	17	63	Paris	F	22	72
Corfu	S	29	84	Perth		—	—
Denver†	C	15	59	Prague	S	23	73
Dublin	C	16	61	Rykjvk.	R	9	48
Dbrvnk.	S	25	77	Rhodes	S	29	84
Ednbgh.	F	17	63	Rio J'o		—	—
Faro	S	24	75	Rome	S	27	81
Florence	S	19	66	Salzbrg.	S	22	72
Frankft.	S	21	70	S'ciscot	C	13	55
Funchal	F	23	73	S. Mritz.		—	—
Geneva	S	23	73	Singapr.	C	30	86
Gibrltr.	F	25	77	S'tiago		—	—
Gl'sg'w	F	17	63	Stckhm.	F	19	66
G'rnsey	S	17	63	Strsbg.	F	22	72
Helsinki	T	13	55	Sydney	S	20	68
H. Kong	S	31	88	Tangier	C	22	72
Innsbrk.	S	22	72	Tel Aviv		—	—
Invrnss.	C	16	61	Tenerife	S	26	79
I.o.Man	C	15	59	Tokyo	S	31	88
Istanbul	C	25	77	T'r'nto†	C	17	63
Jersey	F	19	66	Tunis	S	29	84
Jo'burg	S	15	59	Valencia	F	27	81
L. Plms.	F	24	75	Venice	S	24	75
Lisbon	S	25	77	Vienna	S	22	72
Locarno	S	20	70	Warsaw	S	20	68
London	C	18	64	Zurich	S	21	70

C—Cloudy. F—Fair. R—Rain. S—Sunny. T—Thunder.
† Noon GMT temperatures.

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Mexico

In a telex to all creditor banks, Sr Silva Herzog has requested a speedy and positive response. He also said that Mexico's debt problems had been made worse in recent weeks by cancellation of a high number of short-term bank credit lines.

As part of an international rescue, Mexico has already organised credits of $2bn from the U.S. and is in the final negotiations for a credit of about $1.5bn from central banks of main industrial countries.

Work on that credit was proceeding yesterday at the Bank for International Settlements at Basle. Central banks of the group of ten leading industrial nations, and Switzerland, are expected to participate in proportion to the exposure to Mexico of each country's commercial banks.

Thus the U.S. Federal Reserve could provide roughly $750m of the credit. Speculation was growing yesterday that an additional subscriber could be the Bank of Spain, with an amount of $175m, to bring the total to $1.68bn.

The reports could not be confirmed, although bankers said they would be logical, given Spain's close trade links with Mexico. Spain is the second largest purchaser of Mexican oil, after the U.S.

TUC membership

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about 13 per cent in 1981, reflecting both an expansion of services and the cost of extensive campaigning, particularly against the Employment Bill.

However, because of the strain on union finances, the TUC is not proposing to congress any increase in affiliation fees this year. Instead it proposes a rule amendment which would require unions to pay their fees at the beginning of each quarter rather than at the end, as at present.

The report says if this change is not effected and if there are further falls in membership, "the reserves would be inadequate to finance the first quarter's expenditure in both 1983 and 1984."

It goes on to warn: "Should the position deteriorate, the TUC General Council will need to re-examine the position, which will in any event need to be carefully scrutinised in 1983 in the light of developments."

TUC leaders are already considering proposals which would more than treble union dues between now and 1985.

Video market

Continued from Page 1

reached nearly 6m units, about 60 per cent above the same period in 1981 according to Electronic Industries Association of Japan. Yet some estimates expect 1982 production to be only 10 to 30 per cent up.

Although production is running at about 1m units a month capacity may be as high as 1.7m units.

At the end of last year world stocks of all video recorders, including those made by Philips and Grundig in Europe, were about 4.5m worldwide, approximately equivalent to about five months' demand at 1982 levels.

According to the UK market research organisation Mackintosh Consultants, stocks could rise to eight months by the end of the year as production continues to exceed demand.

This overproduction has led to widespread price cutting around the world, and the Japanese have also switched from production for the U.S. to making recorders for the more buoyant European market.

Last year 92.5 per cent of video recorders imported into the UK came from Japan, based on either the Sony Beta system or the Japanese Victor Company's VHS system.

Imports from the Netherlands, West Germany and Austria of sets made by either Philips or Grundig—accounted for only 6.8 per cent. And in the first five months of this year European imports have fallen to a little over 4 per cent.

The very low penetration of the Philips system in the UK has led to speculation on whether it will remain in the market.

Although stocks have also been rising in the UK, there still appears to be considerable strength in sales at a retail level according to Currys, Rumbelows and Comet. According to Mr Terry Curry, chief executive of Currys, demand has continued to be strong in the last two months although not as high as just before the World Cup earlier in the summer.

Prices in the UK have also been falling quite rapidly and there are many discounts on list prices. Some Sanyo and Sony models have fallen to below £300. Rumbelows has been selling a Sanyo VCR at £299 and there are reports of slightly lower prices in some areas.

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